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**SIXTIETH DAY**


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House Chamber, Olympia, Thursday, March 8, 2012

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

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Holly Brown and Wyatt Griner. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Robert Satiacum, Puyallup Tribal Member, Washington.

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

**INTRODUCTION & FIRST READING**

SB 6159 by Senators Hargrove, Regala, Harper and Padden

AN ACT Relating to a business and occupation tax deduction for amounts received with respect to dispute resolution services; adding a new section to chapter 82.04 RCW; and creating a new section.

There being no objection, SENATE BILL NO. 6159 was read the first time, and under suspension of the rules was placed on the second reading calendar.

**REPORTS OF STANDING COMMITTEES**

HB 2139 Prime Sponsor, Representative Cody: Concerning the establishment of new regional support network boundaries. Reported by Committee on Ways & Means

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Carlyle; Chandler; Cody; Dickerson; Haigh; Haler; Hinkle; Hudgins; Hunt; Kagi; Kenney; Ormsby; Parker; Pettigrew; Ross; Schmick; Seaquist; Springer; Sullivan and Wilcox.

HB 2357 Prime Sponsor, Representative Darneille: Concerning sales and use tax for chemical dependency, mental health treatment, and therapeutic courts. Reported by Committee on Ways & Means

MAJORITY recommendation: The substitute bill be substituted therefor and the substitute bill do pass. Signed by Representatives Hunter, Chair; Darneille, Vice Chair;

Hasegawa, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Carlyle; Chandler; Cody; Dickerson; Haigh; Haler; Hinkle; Hudgins; Hunt; Kagi; Kenney; Ormsby; Pettigrew; Seaquist; Springer; Sullivan and Wilcox.

MINORITY recommendation: Do not pass. Signed by Representatives Orcutt, Assistant Ranking Minority Member; Parker; Ross and Schmick.

March 7, 2012  
SB 5950 Prime Sponsor, Senator Roach: Regulating nonstate pension plans offered by towns. Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 35.27.130 and 1993 c 47 s 3 are each amended to read as follows:

The mayor and members of the town council may be reimbursed for actual expenses incurred in the discharge of their official duties upon presentation of a claim therefor and its allowance and approval by resolution of the town council. The mayor and members of the council may also receive such salary as the council may fix by ordinance.

The treasurer and treasurer-clerk shall severally receive at stated times a compensation to be fixed by ordinance.

The compensation of all other officers and employees shall be fixed from time to time by the council.

Any town that provides a pension for any of its employees under a plan not administered by the state must notify the state auditor of the existence of the plan at the time of an audit of the town by the auditor. No town may establish a pension plan for its employees that is not administered by the state, (~~except that any~~) with the following exceptions:

(1) Participation in a defined contribution plan in existence as of January 1, 1990, is deemed to have been authorized. No town that provides a defined contribution plan for its employees as authorized by this section may make any material changes in the terms or conditions of the plan after June 7, 1990.

(2) Participation in a defined benefit pension plan that commenced prior to January 1, 1999, is authorized to continue. No town that commenced participation in a defined benefit pension plan that is not administered by the state may make any material changes in the terms or conditions of the plan after June 7, 1999."

Correct the title.

Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt,

Assistant Ranking Minority Member; Carlyle; Chandler; Cody; Dickerson; Haigh; Haler; Hinkle; Hudgins; Hunt; Kagi; Kenney; Ormsby; Parker; Pettigrew; Ross; Schmick; Seaquist; Springer; Sullivan and Wilcox.

Referred to Committee on .

March 7, 2012

Engrossed Substitute Senate Bill No. 5978 Prime Sponsor,  
Committee on Health & Long-Term Care:  
Concerning medicaid fraud. Reported by  
Committee on Ways & Means

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

## "PART I

### WASHINGTON MEDICAID FRAUD PROVISIONS

NEW SECTION. Sec. 101. The legislature intends to enact a state false claims act in order to provide this state with another tool to combat medicaid fraud. The legislature finds that between 1996 and 2009 state-initiated false claims acts resulted in over five billion dollars in total recoveries to those states. The highest recoveries in those cases were from claims relating to billing fraud, off-label marketing, and withholding safety information; these cases were primarily related to the pharmaceuticals industry and hospital networks, hospitals, and medical centers. By this act, the legislature does not intend to target a certain industry, profession, or retailer of medical equipment, or to place an undue burden on health care professionals. This act is not intended to harass health care professionals, nor is intended to be used as a tool to target actions that are related to incidental errors or clerical errors, which should not be considered fraud. The intent is to use the false claims act to root out significant areas of fraud that result in higher health care costs to this state and to use the false claims act to recover state money that could and should be used to support the medicaid program.

Sec. 102. RCW 74.09.210 and 2011 1st sp.s. c 15 s 15 are each amended to read as follows:

(1) No person, firm, corporation, partnership, association, agency, institution, or other legal entity, but not including an individual public assistance recipient of health care, shall, on behalf of himself or others, obtain or attempt to obtain benefits or payments under this chapter in a greater amount than that to which entitled by means of:

- (a) A willful false statement;
- (b) By willful misrepresentation, or by concealment of any material facts; or
- (c) By other fraudulent scheme or device, including, but not limited to:
  - (i) Billing for services, drugs, supplies, or equipment that were unfurnished, of lower quality, or a substitution or misrepresentation of items billed; or
  - (ii) Repeated billing for purportedly covered items, which were not in fact so covered.

(2) Any person or entity knowingly violating any of the provisions of subsection (1) of this section shall be liable for repayment of any excess benefits or payments received, plus interest at the rate and in the manner provided in RCW 43.20B.695. Such person or other entity shall further, in addition to any other penalties provided by law, be subject to civil penalties. The ~~((secretary or))~~ director ~~((, as appropriate,))~~ or the attorney general may assess civil

penalties in an amount not to exceed three times the amount of such excess benefits or payments: PROVIDED, That these civil penalties shall not apply to any acts or omissions occurring prior to September 1, 1979. RCW 43.20A.215 governs notice of a civil fine assessed by the director and provides the right to an adjudicative proceeding.

(3) A criminal action need not be brought against a person for that person to be civilly liable under this section.

(4) In all administrative proceedings under this section, service, adjudicative proceedings, and judicial review of such determinations shall be in accordance with chapter 34.05 RCW, the administrative procedure act.

(5) Civil penalties shall be deposited ~~((in the general fund))~~ upon their receipt into the medicaid fraud penalty account established in section 103 of this act.

(6) The attorney general may contract with private attorneys and local governments in bringing actions under this section as necessary.

NEW SECTION. Sec. 103. A new section is added to chapter 74.09 RCW to read as follows:

The medicaid fraud penalty account is created in the state treasury. All receipts from civil penalties collected under RCW 74.09.210, all receipts received under judgments or settlements that originated under a filing under the federal false claims act, and all receipts received under judgments or settlements that originated under the state medicaid fraud false claims act, chapter 74.--- RCW (the new chapter created in section 215 of this act) must be deposited into the account. Moneys in the account may be spent only after appropriation and must be used only for medicaid services, fraud detection and prevention activities, recovery of improper payments, and for other medicaid fraud enforcement activities.

NEW SECTION. Sec. 104. A new section is added to chapter 74.09 RCW to read as follows:

(1) For the purposes of this section:

(a) "Employer" means any person, firm, corporation, partnership, association, agency, institution, or other legal entity.

(b) "Whistleblower" means an employee of an employer that obtains or attempts to obtain benefits or payments under this chapter in violation of RCW 74.09.210, who in good faith reports a violation of RCW 74.09.210 to the authority.

(c) "Workplace reprisal or retaliatory action" includes, but is not limited to: Denial of adequate staff to fulfill duties; frequent staff changes; frequent and undesirable office changes; refusal to assign meaningful work; unwarranted and unsubstantiated report of misconduct under Title 18 RCW; unwarranted and unsubstantiated letters of reprimand or unsatisfactory performance evaluations; demotion; reduction in pay; denial of promotion; suspension; dismissal; denial of employment; or a supervisor or superior behaving in or encouraging coworkers to behave in a hostile manner toward the whistleblower; or a change in the physical location of the employee's workplace or a change in the basic nature of the employee's job, if either are in opposition to the employee's expressed wish.

(2) A whistleblower who has been subjected to workplace reprisal or retaliatory action has the remedies provided under chapter 49.60 RCW. RCW 4.24.500 through 4.24.520, providing certain protection to persons who communicate to government agencies, apply to complaints made under this section. The identity of a whistleblower who complains, in good faith, to the authority about a suspected violation of RCW 74.09.210 may remain confidential if requested. The identity of the whistleblower must subsequently remain confidential unless the authority determines that the complaint was not made in good faith.

(3) This section does not prohibit an employer from exercising its authority to terminate, suspend, or discipline an employee who engages in workplace reprisal or retaliatory action against a whistleblower. The protections provided to whistleblowers under this chapter do not prevent an employer from: (a) Terminating, suspending, or disciplining a whistleblower for other lawful purposes;

or (b) reducing the hours of employment or terminating employment as a result of the demonstrated inability to meet payroll requirements. The authority shall determine if the employer cannot meet payroll in cases where a whistleblower has been terminated or had hours of employment reduced due to the inability of a facility to meet payroll.

(4) The authority shall adopt rules to implement procedures for filing, investigation, and resolution of whistleblower complaints that are integrated with complaint procedures under this chapter. The authority shall adopt rules designed to discourage whistleblower complaints made in bad faith or for retaliatory purposes.

**NEW SECTION. Sec. 105.** A new section is added to chapter 74.09 RCW to read as follows:

The following must be medicare providers in order to be paid under the medicaid program: Providers of durable medical equipment and related supplies and providers of medical supplies and related services.

## PART II

### MEDICAID FRAUD FALSE CLAIMS ACT

**NEW SECTION. Sec. 201.** Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter:

(1)(a) "Claim" means any request or demand made for a medicaid payment under chapter 74.09 RCW, whether under a contract or otherwise, for money or property and whether or not a government entity has title to the money or property, that:

(i) Is presented to an officer, employee, or agent of a government entity; or

(ii) Is made to a contractor, grantee, or other recipient, if the money or property is to be spent or used on the government entity's behalf or to advance a government entity program or interest, and the government entity:

(A) Provides or has provided any portion of the money or property requested or demanded; or

(B) Will reimburse such contractor, grantee, or other recipient for any portion of the money or property which is requested or demanded.

(b) A "claim" does not include requests or demands for money or property that the government entity has paid to an individual as compensation for employment or as an income subsidy with no restrictions on that individual's use of the money or property.

(2) "Custodian" means the custodian, or any deputy custodian, designated by the attorney general.

(3) "Documentary material" includes the original or any copy of any book, record, report, memorandum, paper, communication, tabulation, chart, or other document, or data compilations stored in or accessible through computer or other information retrieval systems, together with instructions and all other materials necessary to use or interpret the data compilations, and any product of discovery.

(4) "False claims act investigation" means any inquiry conducted by any false claims act investigator for the purpose of ascertaining whether any person is or has been engaged in any violation of this chapter.

(5) "False claims act investigator" means any attorney or investigator employed by the state attorney general who is charged with the duty of enforcing or carrying into effect any provision of this chapter, or any officer or employee of the state of Washington acting under the direction and supervision of the attorney or investigator in connection with an investigation pursuant to this chapter.

(6) "Government entity" means all Washington state agencies that administer medicaid funded programs under this title.

(7)(a) "Knowing" and "knowingly" mean that a person, with respect to information:

(i) Has actual knowledge of the information;

(ii) Acts in deliberate ignorance of the truth or falsity of the information; or

(iii) Acts in reckless disregard of the truth or falsity of the information.

(b) "Knowing" and "knowingly" do not require proof of specific intent to defraud.

(8) "Material" means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property.

(9) "Obligation" means an established duty, whether or not fixed, arising from an express or implied contractual, grantor-grantee, or licensor-licensee relationship, from a fee-based or similar relationship, from statute or rule, or from the retention of any overpayment.

(10) "Official use" means any use that is consistent with the law, and the rules and policies of the attorney general, including use in connection with: Internal attorney general memoranda and reports; communications between the attorney general and a federal, state, or local government agency, or a contractor of a federal, state, or local government agency, undertaken in furtherance of an investigation or prosecution of a case; interviews of any qui tam relator or other witness; oral examinations; depositions; preparation for and response to civil discovery requests; introduction into the record of a case or proceeding; applications, motions, memoranda, and briefs submitted to a court or other tribunal; and communications with attorney general investigators, auditors, consultants and experts, the counsel of other parties, and arbitrators or mediators, concerning an investigation, case, or proceeding.

(11) "Person" means any natural person, partnership, corporation, association, or other legal entity, including any local or political subdivision of a state.

(12) "Product of discovery" includes:

(a) The original or duplicate of any deposition, interrogatory, document, thing, result of the inspection of land or other property, examination, or admission, which is obtained by any method of discovery in any judicial or administrative proceeding of an adversarial nature;

(b) Any digest, analysis, selection, compilation, or derivation of any item listed in (a) of this subsection; and

(c) Any index or other manner of access to any item listed in (a) of this subsection.

(13) "Qui tam action" is an action brought by a person under section 205 of this act.

(14) "Qui tam relator" or "relator" is a person who brings an action under section 205 of this act.

**NEW SECTION. Sec. 202.** (1) Subject to subsections (2) and (4) of this section, a person is liable to the government entity for a civil penalty of not less than five thousand five hundred dollars and not more than eleven thousand dollars, plus three times the amount of damages which the government entity sustains because of the act of that person, if the person:

(a) Knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval;

(b) Knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim;

(c) Conspires to commit one or more of the violations in this subsection (1);

(d) Has possession, custody, or control of property or money used, or to be used, by the government entity and knowingly delivers, or causes to be delivered, less than all of that money or property;

(e) Is authorized to make or deliver a document certifying receipt of property used, or to be used, by the government entity and, intending to defraud the government entity, makes or delivers the

receipt without completely knowing that the information on the receipt is true;

(f) Knowingly buys, or receives as a pledge of an obligation or debt, public property from an officer or employee of the government entity who lawfully may not sell or pledge property; or

(g) Knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the government entity, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit money or property to the government entity.

(2) The court may assess not less than two times the amount of damages which the government entity sustains because of the act of a person, if the court finds that:

(a) The person committing the violation of subsection (1) of this section furnished the Washington state attorney general with all information known to him or her about the violation within thirty days after the date on which he or she first obtained the information;

(b) The person fully cooperated with any investigation by the attorney general of the violation; and

(c) At the time the person furnished the attorney general with the information about the violation, no criminal prosecution, civil action, or administrative action had commenced under this title with respect to the violation, and the person did not have actual knowledge of the existence of an investigation into the violation.

(3) A person violating this section is liable to the attorney general for the costs of a civil action brought to recover any such penalty or damages.

(4) For the purposes of determining whether an insurer has a duty to provide a defense or indemnification for an insured and if coverage may be denied if the terms of the policy exclude coverage for intentional acts, a violation of subsection (1) of this section is an intentional act.

(5) The office of the attorney general must, by rule, annually adjust the civil penalties established in subsection (1) of this section so that they are equivalent to the civil penalties provided under the federal false claims act and in accordance with the federal civil penalties inflation adjustment act of 1990.

**NEW SECTION. Sec. 203.** Any information furnished pursuant to this chapter is exempt from disclosure under the public records act, chapter 42.56 RCW, until final disposition and all court ordered seals are lifted.

**NEW SECTION. Sec. 204.** The attorney general must diligently investigate a violation under section 202 of this act. If the attorney general finds that a person has violated or is violating section 202 of this act, the attorney general may bring a civil action under this section against the person.

**NEW SECTION. Sec. 205.** (1) A person may bring a civil action for a violation of section 202 of this act for the person and for the government entity. The action may be known as a qui tam action and the person bringing the action as a qui tam relator. The action must be brought in the name of the government entity. The action may be dismissed only if the court, and the attorney general give written consent to the dismissal and their reason for consenting.

(2) A relator filing an action under this chapter must serve a copy of the complaint and written disclosure of substantially all material evidence and information the person possesses on the attorney general in electronic format. The relator must file the complaint in camera. The complaint must remain under seal for at least sixty days, and may not be served on the defendant until the court so orders. The attorney general may elect to intervene and proceed with the action within sixty days after it receives both the complaint and the material evidence and information.

(3) The attorney general may, for good cause shown, move the court for extensions of the time during which the complaint remains under seal under subsection (2) of this section. The motions may be supported by affidavits or other submissions in camera. The

defendant may not be required to respond to any complaint filed under this section until twenty days after the complaint is unsealed and served upon the defendant.

(4) If the attorney general does not proceed with the action prior to the expiration of the sixty-day period or any extensions obtained under subsection (3) of this section, then the relator has the right to conduct the action.

(5) When a person brings an action under this section, no person other than the attorney general may intervene or bring a related action based on the facts underlying the pending action.

**NEW SECTION. Sec. 206.** (1) If the attorney general proceeds with the qui tam action, the attorney general shall have the primary responsibility for prosecuting the action, and is not bound by an act of the relator. The relator has the right to continue as a party to the action, subject to the limitations set forth in subsection (2) of this section.

(2)(a) The attorney general may move to dismiss the qui tam action notwithstanding the objections of the relator if the relator has been notified by the attorney general of the filing of the motion and the court has provided the relator with an opportunity for a hearing on the motion.

(b) The attorney general may settle the action with the defendant notwithstanding the objections of the relator if the court determines, after a hearing, that the proposed settlement is fair, adequate, and reasonable under all the circumstances. Upon a showing of good cause, the hearing may be held in camera.

(c) Upon a showing by the attorney general that unrestricted participation during the course of the litigation by the relator would interfere with or unduly delay the attorney general's prosecution of the case, or would be repetitious, irrelevant, or for purposes of harassment, the court may, in its discretion, impose limitations on the relator's participation, such as:

(i) Limiting the number of witnesses the relator may call;

(ii) Limiting the length of the testimony of the witnesses;

(iii) Limiting the relator's cross-examination of witnesses; or

(iv) Otherwise limiting the participation by the relator in the litigation.

(d) Upon a showing by the defendant that unrestricted participation during the course of the litigation by the relator would be for purposes of harassment or would cause the defendant undue burden or unnecessary expense, the court may limit the participation by the relator in the litigation.

(3) If the attorney general elects not to proceed with the qui tam action, the relator has the right to conduct the action. If the attorney general so requests, the relator must serve on the attorney general copies of all pleadings filed in the action and shall supply copies of all deposition transcripts, at the attorney general's expense. When the relator proceeds with the action, the court, without limiting the status and rights of the relator, may nevertheless permit the attorney general to intervene at a later date upon a showing of good cause.

(4) Whether or not the attorney general proceeds with the qui tam action, upon a showing by the attorney general that certain actions of discovery by the relator would interfere with the attorney general's investigation or prosecution of a criminal or civil matter arising out of the same facts, the court may stay such discovery for a period of not more than sixty days. The showing must be conducted in camera. The court may extend the sixty-day period upon a further showing in camera that the attorney general has pursued the criminal or civil investigation or proceedings with reasonable diligence and any proposed discovery in the civil action will interfere with the ongoing criminal or civil investigation or proceedings.

(5) Notwithstanding section 205 of this act, the attorney general may elect to pursue its claim through any alternate remedy available to the state, including any administrative proceeding to determine a civil money penalty. If any alternate remedy is pursued in another proceeding, the relator has the same rights in the proceeding as the

relator would have had if the action had continued under this section. Any finding of fact or conclusion of law made in the other proceeding that has become final is conclusive on all parties to an action under this section. For purposes of this subsection, a finding or conclusion is final if it has been finally determined on appeal to the appropriate court of the state of Washington, if all time for filing the appeal with respect to the finding or conclusion has expired, or if the finding or conclusion is not subject to judicial review.

**NEW SECTION. Sec. 207.** (1)(a) Subject to (b) of this subsection, if the attorney general proceeds with a qui tam action, the relator must receive at least fifteen percent but not more than twenty-five percent of the proceeds of the action or settlement of the claim, depending upon the extent to which the relator substantially contributed to the prosecution of the action.

(b) Where the action is one which the court finds to be based primarily on disclosures of specific information, other than information provided by the relator, relating to allegations or transactions in a criminal, civil, or administrative hearing, in a legislative or administrative report, hearing, audit, or investigation, or from the news media, the court may award an amount it considers appropriate, but in no case more than ten percent of the proceeds, taking into account the significance of the information and the role of the relator in advancing the case to litigation.

(c) Any payment to a relator under (a) or (b) of this subsection must be made from the proceeds. The relator must also receive an amount for reasonable expenses which the court finds to have been necessarily incurred, plus reasonable attorneys' fees and costs. All expenses, fees, and costs must be awarded against the defendant.

(2) If the attorney general does not proceed with a qui tam action, the relator shall receive an amount which the court decides is reasonable for collecting the civil penalty and damages. The amount may not be less than twenty-five percent and not more than thirty percent of the proceeds of the action or settlement and must be paid out of the proceeds. The relator must also receive an amount for reasonable expenses, which the court finds to have been necessarily incurred, plus reasonable attorneys' fees and costs. All expenses, fees, and costs must be awarded against the defendant.

(3) Whether or not the attorney general proceeds with the qui tam action, if the court finds that the action was brought by a person who planned and initiated the violation of section 202 of this act upon which the action was brought, then the court may, to the extent the court considers appropriate, reduce the share of the proceeds of the action which the person would otherwise receive under subsection (1) or (2) of this section, taking into account the role of that person in advancing the case to litigation and any relevant circumstances pertaining to the violation. If the person bringing the action is convicted of criminal conduct arising from his or her role in the violation of section 202 of this act, that person must be dismissed from the civil action and may not receive any share of the proceeds of the action. The dismissal may not prejudice the right of the state to continue the action, represented by the attorney general.

(4) If the attorney general does not proceed with the qui tam action and the relator conducts the action, the court may award to the defendant reasonable attorneys' fees and expenses if the defendant prevails in the action and the court finds that the claim of the relator was clearly frivolous, clearly vexatious, or brought primarily for purposes of harassment.

(5) Any funds recovered that remain after calculation and distribution under subsections (1) through (3) of this section must be deposited into the medicaid fraud penalty account established in section 103 of this act.

**NEW SECTION. Sec. 208.** (1) In no event may a person bring a qui tam action which is based upon allegations or transactions which are the subject of a civil suit or an administrative civil money penalty proceeding in which the state is already a party.

(2)(a) The court must dismiss an action or claim under this section, unless opposed by the attorney general, if substantially the same allegations or transactions as alleged in the action or claim were publicly disclosed:

(i) In a state criminal, civil, or administrative hearing in which the attorney general or other governmental entity is a party;

(ii) In a legislative report, or other state report, hearing, audit, or investigation; or

(iii) By the news media;

unless the action is brought by the attorney general or the relator is an original source of the information.

(b) For purposes of this section, "original source" means an individual who either (i) prior to a public disclosure under (a) of this subsection, has voluntarily disclosed to the attorney general the information on which allegations or transactions in a claim are based, or (ii) has knowledge that is independent of, and materially adds to, the publicly disclosed allegations or transactions, and who has voluntarily provided the information to the attorney general before filing an action under this section.

**NEW SECTION. Sec. 209.** (1) Any employee, contractor, or agent is entitled to all relief necessary to make that employee, contractor, or agent whole, if that employee, contractor, or agent, is discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of employment because of lawful acts done by the employee, contractor, agent, or associated others in furtherance of an action under this chapter or other efforts to stop one or more violations of this chapter.

(2) Relief under subsection (1) of this section must include reinstatement with the same seniority status that employee, contractor, or agent would have had but for the discrimination, two times the amount of back pay, interest on the back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys' fees, and any and all relief available under RCW 49.60.030(2). An action under this subsection may be brought in the appropriate superior court of the state of Washington for the relief provided in this subsection.

(3) A civil action under this section may not be brought more than three years after the date when the retaliation occurred.

**NEW SECTION. Sec. 210.** (1) A subpoena requiring the attendance of a witness at a trial or hearing conducted under section 204 or 205 of this act may be served at any place in the state of Washington.

(2) A civil action under section 204 or 205 of this act may be brought at any time, without limitation after the date on which the violation of section 202 of this act is committed.

(3) If the attorney general elects to intervene and proceed with a qui tam action, the attorney general may file its own complaint or amend the complaint of a relator to clarify or add detail to the claims in which the attorney general is intervening and to add any additional claims with respect to which the attorney general contends it is entitled to relief.

(4) In any action brought under section 204 or 205 of this act, the attorney general is required to prove all essential elements of the cause of action, including damages, by a preponderance of the evidence.

(5) Notwithstanding any other provision of law or the rules for superior court, a final judgment rendered in favor of the government entity in any criminal proceeding charging fraud or false statements, whether upon a verdict after trial or upon a plea of guilty or nolo contendere, estops the defendant from denying the essential elements of the offense in any action which involves the same transaction as in the criminal proceeding and which is brought under section 204 or 205 of this act.

**NEW SECTION. Sec. 211.** (1) Any action under section 204 or 205 of this act may be brought in the superior court in any county in which the defendant or, in the case of multiple defendants, any one

defendant can be found, resides, transacts business, or in which any act proscribed by section 202 of this act occurred. The appropriate court must issue a summons as required by the superior court civil rules and service must occur at any place within the state of Washington.

(2) The superior courts have jurisdiction over any action brought under the laws of any city or county for the recovery of funds paid by a government entity if the action arises from the same transaction or occurrence as an action brought under section 204 or 205 of this act.

(3) With respect to any local government that is named as a coplaintiff with the state in an action brought under section 205 of this act, a seal on the action ordered by the court under section 205 of this act does not preclude the attorney general or the person bringing the action from serving the complaint, any other pleadings, or the written disclosure of substantially all material evidence and information possessed by the person bringing the action on the law enforcement authorities that are authorized under the law of the local government to investigate and prosecute the action on behalf of the local government, except that the seal applies to the law enforcement authorities so served to the same extent as the seal applies to other parties in the action.

**NEW SECTION. Sec. 212.** (1)(a) Whenever the attorney general, or a designee, for purposes of this section, has reason to believe that any person may be in possession, custody, or control of any documentary material or information relevant to a false claims act investigation, the attorney general, or a designee, may, before commencing a civil proceeding under section 204 of this act or making an election under section 205 of this act, issue in writing and serve upon the person, a civil investigative demand requiring the person:

- (i) To produce the documentary material for inspection and copying;
- (ii) To answer in writing written interrogatories with respect to the documentary material or information;
- (iii) To give oral testimony concerning the documentary material or information; or
- (iv) To furnish any combination of such material, answers, or testimony.

(b) The attorney general may delegate the authority to issue civil investigative demands under this subsection (1). Whenever a civil investigative demand is an express demand for any product of discovery, the attorney general, the deputy attorney general, or an assistant attorney general must serve, in any manner authorized by this section, a copy of the demand upon the person from whom the discovery was obtained and must notify the person to whom the demand is issued of the date on which the copy was served. Any information obtained by the attorney general or a designee of the attorney general under this section may be shared with any qui tam relator if the attorney general or designee determines it is necessary as part of any false claims act investigation.

(2)(a) Each civil investigative demand issued under subsection (1) of this section must state the nature of the conduct constituting the alleged violation of this chapter which is under investigation, and the applicable provision of law alleged to be violated.

(b) If the demand is for the production of documentary material, the demand must:

- (i) Describe each class of documentary material to be produced with such definiteness and certainty as to permit the material to be fairly identified;
- (ii) Prescribe a return date for each class which will provide a reasonable period of time within which the material so demanded may be assembled and made available for inspection and copying; and
- (iii) Identify the false claims act investigator to whom such material must be made available.

(c) If the demand is for answers to written interrogatories, the demand must:

- (i) Set forth with specificity the written interrogatories to be answered;
- (ii) Prescribe dates at which time answers to written interrogatories must be submitted; and
- (iii) Identify the false claims law investigator to whom such answers must be submitted.

(d) If the demand is for the giving of oral testimony, the demand must:

- (i) Prescribe a date, time, and place at which oral testimony must be commenced;
- (ii) Identify a false claims act investigator who must conduct the examination and the custodian to whom the transcript of the examination must be submitted;
- (iii) Specify that the attendance and testimony are necessary to the conduct of the investigation;
- (iv) Notify the person receiving the demand of the right to be accompanied by an attorney and any other representative; and

(v) Describe the general purpose for which the demand is being issued and the general nature of the testimony, including the primary areas of inquiry, which will be taken pursuant to the demand.

(e) Any civil investigative demand issued under this section which is an express demand for any product of discovery is not due until thirty days after a copy of the demand has been served upon the person from whom the discovery was obtained.

(f) The date prescribed for the commencement of oral testimony pursuant to a civil investigative demand issued under this section may not be sooner than six days after the date on which demand is received, unless the attorney general or an assistant attorney general designated by the attorney general determines that exceptional circumstances are present which warrant the commencement of the testimony sooner.

(g) The attorney general may not authorize the issuance under this section of more than one civil investigative demand for oral testimony by the same person unless the person requests otherwise or unless the attorney general, after investigation, notifies that person in writing that an additional demand for oral testimony is necessary.

(3) A civil investigative demand issued under subsection (1) or (2) of this section may not require the production of any documentary material, the submission of any answers to written interrogatories, or the giving of any oral testimony if the material, answers, or testimony would be protected from disclosure under:

- (a) The standards applicable to subpoenas or subpoenas duces tecum issued by a court to aid in a special inquiry investigation; or
- (b) The standards applicable to discovery requests under the superior court civil rules, to the extent that the application of these standards to any demand is appropriate and consistent with the provisions and purposes of this section.

(4) Any demand which is an express demand for any product of discovery supersedes any inconsistent order, rule, or provision of law, other than this section, preventing or restraining disclosure of the product of discovery to any person. Disclosure of any product of discovery pursuant to any express demand does not constitute a waiver of any right or privilege which the person making such disclosure may be entitled to invoke to resist discovery of trial preparation materials.

(5) Any civil investigative demand issued under this section may be served by a false claims act investigator, or by a commissioned law enforcement official, at any place within the state of Washington.

(6) Service of any civil investigative demand issued under (a) of this subsection or of any petition filed under subsection (25) of this section may be made upon a partnership, corporation, association, or other legal entity by:

- (a) Delivering an executed copy of the demand or petition to any partner, executive officer, managing agent, or general agent of the

partnership, corporation, association, or entity, or to any agent authorized by appointment or by law to receive service of process on behalf of such partnership, corporation, association, or entity;

(b) Delivering an executed copy of the demand or petition to the principal office or place of business of the partnership, corporation, association, or entity; or

(c) Depositing an executed copy of the demand or petition in the United States mail by registered or certified mail, with a return receipt requested, addressed to such partnership, corporation, association, or entity at its principal office or place of business.

(7) Service of any demand or petition may be made upon any natural person by:

(a) Delivering an executed copy of the demand or petition to the person; or

(b) Depositing an executed copy of the demand or petition in the United States mail by registered or certified mail, with a return receipt requested, addressed to the person at the person's residence or principal office or place of business.

(8) A verified return by the individual serving any civil investigative demand issued under subsection (1) or (2) of this section or any petition filed under subsection (25) of this section setting forth the manner of the service constitutes proof of the service. In the case of service by registered or certified mail, the return must be accompanied by the return post office receipt of delivery of the demand.

(9)(a) The production of documentary material in response to a civil investigative demand served under this section must be made under a sworn certificate, in the form as the demand designates, by:

(i) In the case of a natural person, the person to whom the demand is directed; or

(ii) In the case of a person other than a natural person, a person having knowledge of the facts and circumstances relating to the production and authorized to act on behalf of the person.

(b) The certificate must state that all of the documentary material required by the demand and in the possession, custody, or control of the person to whom the demand is directed has been produced and made available to the false claims act investigator identified in the demand.

(10) Any person upon whom any civil investigative demand for the production of documentary material has been served under this section shall make such material available for inspection and copying to the false claims act investigator identified in the demand at the principal place of business of the person, or at another place as the false claims act investigator and the person thereafter may agree and prescribe in writing, or as the court may direct under subsection (25) of this section. The material must be made available on the return date specified in the demand, or on a later date as the false claims act investigator may prescribe in writing. The person may, upon written agreement between the person and the false claims act investigator, substitute copies for originals of all or any part of the material.

(11)(a) Each interrogatory in a civil investigative demand served under this section must be answered separately and fully in writing under oath and must be submitted under a sworn certificate, in the form as the demand designates, by:

(i) In the case of a natural person, the person to whom the demand is directed; or

(ii) In the case of a person other than a natural person, the person or persons responsible for answering each interrogatory.

(b) If any interrogatory is objected to, the reasons for the objection must be stated in the certificate instead of an answer. The certificate must state that all information required by the demand and in the possession, custody, control, or knowledge of the person to whom the demand is directed has been submitted. To the extent that any information is not furnished, the information must be identified and reasons set forth with particularity regarding the reasons why the information was not furnished.

(12) The examination of any person pursuant to a civil investigative demand for oral testimony served under this section must be taken before an officer authorized to administer oaths and affirmations by the laws of the state of Washington or of the place where the examination is held. The officer before whom the testimony is to be taken must put the witness on oath or affirmation and must, personally or by someone acting under the direction of the officer and in the officer's presence, record the testimony of the witness. The testimony must be recorded and must be transcribed. When the testimony is fully transcribed, the officer before whom the testimony is taken shall promptly transmit a copy of the transcript of the testimony to the custodian. This subsection does not preclude the taking of testimony by any means authorized by, and in a manner consistent with, the superior court civil rules.

(13) The false claims act investigator conducting the examination shall exclude from the place where the examination is held all persons except the person giving the testimony, the attorney for and any other representative of the person giving the testimony, the attorney general, any person who may be agreed upon by the attorney for the government and the person giving the testimony, the officer before whom the testimony is to be taken, and any stenographer taking the testimony.

(14) The oral testimony of any person taken pursuant to a civil investigative demand served under this section must be taken in the county within which such person resides, is found, or transacts business, or in another place as may be agreed upon by the false claims act investigator conducting the examination and the person.

(15) When the testimony is fully transcribed, the false claims act investigator or the officer before whom the testimony is taken must afford the witness, who may be accompanied by counsel, a reasonable opportunity to examine and read the transcript, unless the examination and reading are waived by the witness. Any changes in form or substance which the witness desires to make must be entered and identified upon the transcript by the officer or the false claims act investigator, with a statement of the reasons given by the witness for making the changes. The transcript must then be signed by the witness, unless the witness in writing waives the signing, is ill, cannot be found, or refuses to sign. If the transcript is not signed by the witness within thirty days after being afforded a reasonable opportunity to examine it, the officer or the false claims act investigator must sign it and state on the record the fact of the waiver, illness, absence of the witness, or the refusal to sign, together with the reasons given.

(16) The officer before whom the testimony is taken must certify on the transcript that the witness was sworn by the officer and that the transcript is a true record of the testimony given by the witness, and the officer or false claims act investigator must promptly deliver the transcript, or send the transcript by registered or certified mail, to the custodian.

(17) Upon payment of reasonable charges therefor, the false claims act investigator must furnish a copy of the transcript to the witness only, except that the attorney general, the deputy attorney general, or an assistant attorney general may, for good cause, limit the witness to inspection of the official transcript of the witness' testimony.

(18)(a) Any person compelled to appear for oral testimony under a civil investigative demand issued under subsection (1) or (2) of this section may be accompanied, represented, and advised by counsel. Counsel may advise the person, in confidence, with respect to any question asked of the person. The person or counsel may object on the record to any question, in whole or in part, and must briefly state for the record the reason for the objection. An objection may be made, received, and entered upon the record when it is claimed that the person is entitled to refuse to answer the question on the grounds of any constitutional or other legal right or privilege, including the privilege against self-incrimination. The person may not otherwise

object to or refuse to answer any question, and may not directly or through counsel otherwise interrupt the oral examination. If the person refuses to answer any question, a special injury proceeding petition may be filed in the superior court under subsection (25) of this section for an order compelling the person to answer the question.

(b) If the person refuses to answer any question on the grounds of the privilege against self-incrimination, the testimony of the person may be compelled in accordance with the provisions of the superior court civil rules.

(19) Any person appearing for oral testimony under a civil investigative demand issued under subsection (1) or (2) of this section is entitled to the same fees and allowances which are paid to witnesses in the superior courts.

(20) The attorney general must designate a false claims act investigator to serve as custodian of documentary material, answers to interrogatories, and transcripts of oral testimony received under this section, and must designate such additional false claims act investigators as the attorney general determines from time to time to be necessary to serve as deputies to the custodian.

(21)(a) A false claims act investigator who receives any documentary material, answers to interrogatories, or transcripts of oral testimony under this section must transmit them to the custodian. The custodian shall take physical possession of the material, answers, or transcripts and is responsible for the use made of them and for the return of documentary material under subsection (23) of this section.

(b) The custodian may cause the preparation of the copies of the documentary material, answers to interrogatories, or transcripts of oral testimony as may be required for official use by any false claims act investigator, or employee of the attorney general. The material, answers, and transcripts may be used by any authorized false claims act investigator or other officer or employee in connection with the taking of oral testimony under this section.

(c)(i) Except as otherwise provided in this subsection (21), no documentary material, answers to interrogatories, or transcripts of oral testimony, or copies thereof, while in the possession of the custodian, may be available for examination by any individual other than a false claims act investigator or other officer or employee of the attorney general authorized under (b) of this subsection.

(ii) The prohibition in (c)(i) of this subsection on the availability of material, answers, or transcripts does not apply if consent is given by the person who produced the material, answers, or transcripts, or, in the case of any product of discovery produced pursuant to an express demand for the material, consent is given by the person from whom the discovery was obtained. Nothing in this subsection (c)(ii) is intended to prevent disclosure to the legislature, including any committee or subcommittee for use by such an agency in furtherance of its statutory responsibilities.

(d) While in the possession of the custodian and under the reasonable terms and conditions as the attorney general shall prescribe:

(i) Documentary material and answers to interrogatories must be available for examination by the person who produced the material or answers, or by a representative of that person authorized by that person to examine the material and answers; and

(ii) Transcripts of oral testimony must be available for examination by the person who produced the testimony, or by a representative of that person authorized by that person to examine the transcripts.

(22) Whenever any official has been designated to appear before any court, special inquiry judge, or state administrative judge in any case or proceeding, the custodian of any documentary material, answers to interrogatories, or transcripts of oral testimony received under this section may deliver to the official the material, answers, or transcripts for official use in connection with any case or proceeding as the official determines to be required. Upon the completion of

such a case or proceeding, the official must return to the custodian any material, answers, or transcripts so delivered which have not passed into the control of any court, grand jury, or agency through introduction into the record of such a case or proceeding.

(23) If any documentary material has been produced by any person in the course of any false claims act investigation pursuant to a civil investigative demand under this section, and:

(a) Any case or proceeding before the court or special inquiry judge arising out of the investigation, or any proceeding before any administrative judge involving the material, has been completed; or

(b) No case or proceeding in which the material may be used has been commenced within a reasonable time after completion of the examination and analysis of all documentary material and other information assembled in the course of the investigation:

Then, the custodian shall, upon written request of the person who produced the material, return to the person the material, other than copies furnished to the false claims act investigator under subsection (10) of this section or made for the attorney general under subsection (21)(b) of this section, which has not passed into the control of any court, grand jury, or agency through introduction into the record of the case or proceeding.

(24)(a) In the event of the death, disability, or separation from service of the attorney general of the custodian of any documentary material, answers to interrogatories, or transcripts of oral testimony produced pursuant to civil investigative demand under this section, or in the event of the official relief of the custodian from responsibility for the custody and control of the material, answers, or transcripts, the attorney general must promptly:

(i) Designate another false claims act investigator to serve as custodian of the material, answers, or transcripts; and

(ii) Transmit in writing to the person who produced the material, answers, or testimony notice of the identity and address of the successor so designated.

(b) Any person who is designated to be a successor under this subsection (24) has, with regard to the material, answers, or transcripts, the same duties and responsibilities as were imposed by this section upon that person's predecessor in office, except that the successor may not be held responsible for any default or dereliction which occurred before that designation.

(25) Whenever any person fails to comply with any civil investigative demand issued under subsection (1) or (2) of this section, or whenever satisfactory copying or reproduction of any material requested in the demand cannot be done and the person refuses to surrender the material, the attorney general may file, in any superior court of the state of Washington for any county in which the person resides, is found, or transacts business, and serve upon the person a petition for an order of the court for the enforcement of the civil investigative demand.

(26)(a) Any person who has received a civil investigative demand issued under subsection (1) or (2) of this section may file, in the superior court of the state of Washington for the county within which the person resides, is found, or transacts business, and serve upon the false claims act investigator identified in the demand a petition for an order of the court to modify or set aside the demand. In the case of a petition addressed to an express demand for any product of discovery, a petition to modify or set aside the demand may be brought only in the district court of the United States for the judicial district in which the proceeding in which the discovery was obtained is or was last pending. Any petition filed under this subsection (26)(a) must be filed:

(i) Within thirty days after the date of service of the civil investigative demand, or at any time before the return date specified in the demand, whichever date is earlier; or

(ii) Within a longer period as may be prescribed in writing by any false claims act investigator identified in the demand.

(b) The petition must specify each ground upon which the petitioner relies in seeking relief under (a) of this subsection, and may be based upon any failure of the demand to comply with the provisions of this section or upon any constitutional or other legal right or privilege of the person. During the pendency of the petition in the court, the court may stay, as it deems proper, the running of the time allowed for compliance with the demand, in whole or in part, except that the person filing the petition shall comply with any portions of the demand not sought to be modified or set aside.

(27)(a) In the case of any civil investigative demand issued under subsection (1) or (2) of this section which is an express demand for any product of discovery, the person from whom the discovery was obtained may file, in the superior court of the state of Washington for the county in which the proceeding in which the discovery was obtained is or was last pending, and serve upon any false claims act investigator identified in the demand and upon the recipient of the demand, a petition for an order of the court to modify or set aside those portions of the demand requiring production of any product of discovery. Any petition under this subsection (27)(a) must be filed:

(i) Within twenty days after the date of service of the civil investigative demand, or at any time before the return date specified in the demand, whichever date is earlier; or

(ii) Within a longer period as may be prescribed in writing by any false claims act investigator identified in the demand.

(b) The petition must specify each ground upon which the petitioner relies in seeking relief under (a) of this subsection, and may be based upon any failure of the portions of the demand from which relief is sought to comply with the provisions of this section, or upon any constitutional or other legal right or privilege of the petitioner. During the pendency of the petition, the court may stay, as it deems proper, compliance with the demand and the running of the time allowed for compliance with the demand.

(28) At any time during which any custodian is in custody or control of any documentary material or answers to interrogatories produced, or transcripts of oral testimony given, by any person in compliance with any civil investigative demand issued under subsection (1) or (2) of this section, the person, and in the case of an express demand for any product of discovery, the person from whom the discovery was obtained, may file, in the superior court of the state of Washington for the county within which the office of the custodian is situated, and serve upon the custodian, a petition for an order of the court to require the performance by the custodian of any duty imposed upon the custodian by this section.

(29) Whenever any petition is filed in any superior court of the state of Washington under this section, the court has jurisdiction to hear and determine the matter so presented, and to enter an order or orders as may be required to carry out the provisions of this section. Any final order so entered is subject to appeal under the rules of appellate procedure. Any disobedience of any final order entered under this section by any court must be punished as a contempt of the court.

(30) The superior court civil rules apply to any petition under this section, to the extent that the rules are not inconsistent with the provisions of this section.

(31) Any documentary material, answers to written interrogatories, or oral testimony provided under any civil investigative demand issued under subsection (1) or (2) of this section are exempt from disclosure under the public records act, chapter 42.56 RCW.

**NEW SECTION. Sec. 213.** Beginning November 15, 2012, and annually thereafter, the attorney general in consultation with the health care authority must report results of implementing the medicaid fraud false claims act. This report must include:

(1) The number of attorneys assigned to qui tam initiated actions;

(2) The number of cases brought by qui tam actions and indicate how many cases are brought by the attorney general and how many by the qui tam relator without attorney general participation;

(3) The results of any actions brought under subsection (2) of this section, delineated by cases brought by the attorney general and cases brought by the qui tam relator without attorney general participation;

(4) The amount of recoveries attributable to the medicaid false claims; and

(5) Information on the costs, attorneys' fees, and any other expenses incurred by defendants in investigating and defending against qui tam actions, to the extent this information is provided to the attorney general or health care authority.

**NEW SECTION. Sec. 214.** This chapter may be known and cited as the medicaid fraud false claims act.

**NEW SECTION. Sec. 215.** Sections 201 through 214 of this act constitute a new chapter in Title 74 RCW.

**NEW SECTION. Sec. 216.** A new section is added to chapter 43.131 RCW to read as follows:

The medicaid fraud false claims act as established under chapter 74.-- RCW (the new chapter created in sections 201 through 214 of this act) shall be terminated on June 30, 2016, as provided in section 217 of this act.

**NEW SECTION. Sec. 217.** A new section is added to chapter 43.131 RCW to read as follows:

The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective June 30, 2017:

- (1) Section 201 of this act;
- (2) Section 202 of this act;
- (3) Section 203 of this act;
- (4) Section 204 of this act;
- (5) Section 205 of this act;
- (6) Section 206 of this act;
- (7) Section 207 of this act;
- (8) Section 208 of this act;
- (9) Section 209 of this act;
- (10) Section 210 of this act;
- (11) Section 211 of this act;
- (12) Section 212 of this act;
- (13) Section 213 of this act; and
- (14) Section 214 of this act.

**NEW SECTION. Sec. 218.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Carlyle; Cody; Dickerson; Haigh; Hudgins; Hunt; Kagi; Kenney; Ormsby; Pettigrew and Sullivan.

MINORITY recommendation: Do not pass. Signed by Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Chandler; Haler; Hinkle; Parker; Ross; Schmick; Seaquist; Springer and Wilcox.

March 7, 2012

E2SSB 6204 Prime Sponsor, Committee on Ways & Means:  
Modifying community supervision provisions.  
Reported by Committee on Ways & Means

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 9.94A.631 and 2009 c 390 s 1 are each amended to read as follows:

(1) If an offender violates any condition or requirement of a sentence, a community corrections officer may arrest or cause the arrest of the offender without a warrant, pending a determination by the court or ~~((a department of corrections hearing officer))~~ by the department. If there is reasonable cause to believe that an offender has violated a condition or requirement of the sentence, a community corrections officer may require an offender to submit to a search and seizure of the offender's person, residence, automobile, or other personal property.

(2) For the safety and security of department staff, an offender may be required to submit to pat searches, or other limited security searches, by community corrections officers, correctional officers, and other agency approved staff, without reasonable cause, when in or on department premises, grounds, or facilities, or while preparing to enter department premises, grounds, facilities, or vehicles. Pat searches of offenders shall be conducted only by staff who are the same gender as the offender, except in emergency situations.

(3) A community corrections officer may also arrest an offender for any crime committed in his or her presence. The facts and circumstances of the conduct of the offender shall be reported by the community corrections officer, with recommendations, to the court ~~((or department of corrections hearing officer)),~~ local law enforcement, or local prosecution for consideration of new charges. The community corrections officer's report shall serve as the notice that the department will hold the offender for not more than three days from the time of such notice for the new crime. This does not affect the department's authority under RCW 9.94A.737.

If a community corrections officer arrests or causes the arrest of an offender under this section, the offender shall be confined and detained in the county jail of the county in which the offender was taken into custody, and the sheriff of that county shall receive and keep in the county jail, where room is available, all prisoners delivered to the jail by the community corrections officer, and such offenders shall not be released from custody on bail or personal recognizance, except upon approval of the court or authorized department staff, pursuant to a written order.

"**Sec. 2.** RCW 9.94A.633 and 2010 c 258 s 1 and 2010 c 224 s 12 are each reenacted and amended to read as follows:

(1)(a) An offender who violates any condition or requirement of a sentence may be sanctioned by the court with up to sixty days' confinement for each violation or by the department with up to thirty days' confinement as provided in RCW 9.94A.737.

(b) In lieu of confinement, an offender may be sanctioned with work release, home detention with electronic monitoring, work crew, community restitution, inpatient treatment, daily reporting, curfew, educational or counseling sessions, supervision enhanced through electronic monitoring, or any other community-based sanctions ~~((available in the community)).~~

(2) If an offender was under community custody pursuant to one of the following statutes, the offender may be sanctioned as follows:

(a) If the offender was transferred to community custody in lieu of earned early release in accordance with RCW 9.94A.728, the offender may be transferred to a more restrictive confinement status to serve up to the remaining portion of the sentence, less credit for any period actually spent in community custody or in detention awaiting disposition of an alleged violation.

(b) If the offender was sentenced under the drug offender sentencing alternative set out in RCW 9.94A.660, the offender may be sanctioned in accordance with that section.

(c) If the offender was sentenced under the parenting sentencing alternative set out in RCW 9.94A.655, the offender may be sanctioned in accordance with that section.

(d) If the offender was sentenced under the special sex offender sentencing alternative set out in RCW 9.94A.670, the suspended sentence may be revoked and the offender committed to serve the original sentence of confinement.

(e) If the offender was sentenced to a work ethic camp pursuant to RCW 9.94A.690, the offender may be reclassified to serve the unexpired term of his or her sentence in total confinement.

(f) If a sex offender was sentenced pursuant to RCW 9.94A.507, the offender may be transferred to a more restrictive confinement status to serve up to the remaining portion of the sentence, less credit for any period actually spent in community custody or in detention awaiting disposition of an alleged violation.

(3) If a probationer is being supervised by the department pursuant to RCW 9.92.060, 9.95.204, or 9.95.210, the probationer may be sanctioned pursuant to subsection (1) of this section. The department shall have authority to issue a warrant for the arrest of an offender who violates a condition of community custody, as provided in RCW 9.94A.716. Any sanctions shall be imposed by the department pursuant to RCW 9.94A.737. ~~((The department shall provide a copy of the violation hearing report to the sentencing court in a timely manner.))~~ Nothing in this subsection is intended to limit the power of the sentencing court to respond to a probationer's violation of conditions.

(4) The parole or probation of an offender who is charged with a new felony offense may be suspended and the offender placed in total confinement pending disposition of the new criminal charges if:

(a) The offender is on parole pursuant to RCW 9.95.110(1); or

(b) The offender is being supervised pursuant to RCW 9.94A.745 and is on parole or probation pursuant to the laws of another state.

"**Sec. 3.** RCW 9.94A.704 and 2009 c 375 s 6 are each amended to read as follows:

(1) Every person who is sentenced to a period of community custody shall report to and be placed under the supervision of the department, subject to RCW 9.94A.501.

(2)(a) The department shall assess the offender's risk of reoffense and may establish and modify additional conditions of community custody based upon the risk to community safety.

(b) Within the funds available for community custody, the department shall determine conditions on the basis of risk to community safety, and shall supervise offenders during community custody on the basis of risk to community safety and conditions imposed by the court. The secretary shall adopt rules to implement the provisions of this subsection (2)(b).

(3) If the offender is supervised by the department, the department shall at a minimum instruct the offender to:

(a) Report as directed to a community corrections officer;

(b) Remain within prescribed geographical boundaries;

(c) Notify the community corrections officer of any change in the offender's address or employment;

(d) Pay the supervision fee assessment; and

(e) Disclose the fact of supervision to any mental health or chemical dependency treatment provider, as required by RCW 9.94A.722.

(4) The department may require the offender to participate in rehabilitative programs, or otherwise perform affirmative conduct, and to obey all laws.

(5) If the offender was sentenced pursuant to a conviction for a sex offense, the department may impose electronic monitoring. Within the resources made available by the department for this purpose, the department shall carry out any electronic monitoring using the most appropriate technology given the individual circumstances of the offender. As used in this section, "electronic monitoring" means the monitoring of an offender using an electronic offender tracking system including, but not limited to, a system using radio frequency or active or passive global positioning system technology.

(6) The department may not impose conditions that are contrary to those ordered by the court and may not contravene or decrease court-imposed conditions.

(7)(a) The department shall notify the offender in writing of any additional conditions or modifications.

(b) By the close of the next business day after receiving notice of a condition imposed or modified by the department, an offender may request an administrative review under rules adopted by the department. The condition shall remain in effect unless the reviewing officer finds that it is not reasonably related to the crime of conviction, the offender's risk of reoffending, or the safety of the community.

(8) The department shall notify the offender in writing upon community custody intake of the department's violation process.

~~(9)~~ (9) The department may require offenders to pay for special services rendered including electronic monitoring, day reporting, and telephone reporting, dependent on the offender's ability to pay. The department may pay for these services for offenders who are not able to pay.

~~(9)~~ (10)(a) When a sex offender has been sentenced pursuant to RCW 9.94A.507, the department shall assess the offender's risk of recidivism and shall recommend to the board any additional or modified conditions based upon the offender's risk to community safety and may recommend affirmative conduct or electronic monitoring consistent with subsections (4) through (6) of this section.

(b) The board may impose conditions in addition to court-ordered conditions. The board must consider and may impose department-recommended conditions.

(c) By the close of the next business day, after receiving notice of a condition imposed by the board or the department, an offender may request an administrative hearing under rules adopted by the board. The condition shall remain in effect unless the hearing examiner finds that it is not reasonably related to any of the following:

- (i) The crime of conviction;
- (ii) The offender's risk of reoffending;
- (iii) The safety of the community.

(d) If the department finds that an emergency exists requiring the immediate imposition of additional conditions in order to prevent the offender from committing a crime, the department may impose such conditions. The department may not impose conditions that are contrary to those set by the board or the court and may not contravene or decrease court-imposed or board-imposed conditions. Conditions imposed under this subsection shall take effect immediately after notice to the offender by personal service, but shall not remain in effect longer than seven working days unless approved by the board.

~~(10)~~ (11) In setting, modifying, and enforcing conditions of community custody, the department shall be deemed to be performing a quasi-judicial function.

**Sec. 4.** RCW 9.94A.706 and 2008 c 231 s 11 are each amended to read as follows:

(1) No offender sentenced to a term of community custody under the supervision of the department may own, use, or possess firearms ~~((or)), ammunition, or explosives. ((Offenders who own, use, or are found to be in))~~ An offender's actual or constructive possession of firearms ((or)), ammunition, or explosives shall be ((subject to the violation process and)) reported to local law enforcement or local prosecution for consideration of new charges and subject to sanctions under RCW 9.94A.633((, 9.94A.716, and)) or 9.94A.737.

(2) For the purposes of this section:  
 (a) "Constructive possession" ~~((as used in this section))~~ means the power and intent to control the firearm ~~((or)),~~ ammunition, or explosives.

(b) "Explosives" has the same definition as in RCW 46.04.170.  
 (c) "Firearm" ~~((as used in this section))~~ has the same definition as in RCW 9.41.010.

**Sec. 5.** RCW 9.94A.714 and 2008 c 231 s 16 are each amended to read as follows:

(1) ((If an offender has not completed his or her maximum term of total confinement and is subject to a third violation hearing pursuant to RCW 9.94A.737 for any violation of community custody and is found to have committed the violation, the department shall return the offender to total confinement in a state correctional facility to serve up to the remaining portion of his or her sentence, unless it is determined that returning the offender to a state correctional facility would substantially interfere with the offender's ability to maintain necessary community supports or to participate in necessary treatment or programming and would substantially increase the offender's likelihood of reoffending.

(2)) The department may work with the Washington association of sheriffs and police chiefs to establish and operate an electronic monitoring program for ((low-risk)) offenders who violate the terms of their community custody.

~~((3))~~ (2) Local governments, their subdivisions and employees, the department and its employees, and the Washington association of sheriffs and police chiefs and its employees are immune from civil liability for damages arising from incidents involving ~~((low-risk))~~ offenders who are placed on electronic monitoring unless it is shown that an employee acted with gross negligence or bad faith.

**Sec. 6.** RCW 9.94A.716 and 2008 c 231 s 21 are each amended to read as follows:

(1) The secretary may issue warrants for the arrest of any offender who violates a condition of community custody. The arrest warrants shall authorize any law enforcement or peace officer or community corrections officer of this state or any other state where such offender may be located, to arrest the offender and place him or her in total confinement pending disposition of the alleged violation pursuant to RCW 9.94A.633.

(2) A community corrections officer, if he or she has reasonable cause to believe an offender has violated a condition of community custody, may suspend the person's community custody status and arrest or cause the arrest and detention in total confinement of the offender, pending the determination of the secretary as to whether the violation has occurred. The community corrections officer shall report to the secretary all facts and circumstances and the reasons for the action of suspending community custody status.

(3) If an offender has been arrested by the department for a new felony offense while under community custody, ~~the ((department shall hold the offender in total confinement until a hearing before the department as provided in this section or until the offender has been formally charged for the new felony offense, whichever is earlier))~~ facts and circumstances of the conduct of the offender shall be reported by the community corrections officer to local law enforcement or local prosecution for consideration of new charges. The community corrections officer's report shall serve as notice that the department will hold the offender in total confinement for not more than three days from the time of arrest on the new felony offense. Nothing in this subsection shall be construed as to permit the department to hold an offender past his or her maximum term of total confinement if the offender has not completed the maximum term of total confinement or to permit the department to hold an offender past the offender's term of community custody.

(4) A violation of a condition of community custody shall be deemed a violation of the sentence for purposes of RCW 9.94A.631. The authority granted to community corrections officers under this section shall be in addition to that set forth in RCW 9.94A.631.

**Sec. 7.** RCW 9.94A.737 and 2008 c 231 s 20 are each amended to read as follows:

(1) If an offender is accused of violating any condition or requirement of community custody, ~~((he or she is entitled to a hearing before the department prior to the imposition of sanctions. The hearing shall be considered as))~~ the department shall address the

violation behavior. The department may hold offender disciplinary proceedings (and shall) not (be) subject to chapter 34.05 RCW. The department shall ((develop hearing procedures and a structure of graduated sanctions)) notify the offender in writing of the violation process.

(2) ~~((The hearing procedures required under subsection (1) of this section shall be developed by rule and include the following:))~~ (a) The offender's violation behavior shall determine the sanction the department imposes. The department shall adopt rules creating a structured violation process that includes presumptive sanctions, aggravating and mitigating factors, and definitions for low level violations and high level violations.

(b)(i) The department must define aggravating factors that indicate the offender may present a current and ongoing foreseeable risk and which therefore, elevate an offender's behavior to a high level violation process.

(ii) The state and its officers, agents, and employees may not be held criminally or civilly liable for a decision to elevate or not to elevate an offender's behavior to a high level violation process under this subsection unless the state or its officers, agents, and employees acted with reckless disregard.

(3) The department may intervene when an offender commits a low level violation as follows:

(a) For a first low level violation, the department may sanction the offender to one or more nonconfinement sanctions.

(b) For a second or subsequent low level violation, the department may sanction the offender to not more than three days in total confinement.

(i) The department shall develop rules to ensure that each offender subject to a short term confinement sanction is provided the opportunity for a supervisory review prior to imposition of total confinement, at which time the offender may respond to the alleged violation.

(ii) The department shall adopt a rule defining supervisory review.

(iii) The offender may appeal the short term confinement sanction to a panel of three reviewing officers designated by the secretary or by the secretary's designee. The offender's appeal must be in writing and hand-delivered to department staff, or postmarked, within seven days after the sanction is imposed.

(4) If an offender is accused of committing a high level violation, the department may sanction the offender to not more than thirty days in total confinement per hearing.

(a) The offender is entitled to a hearing prior to the imposition of sanctions; and

(b) The offender may be held in total confinement pending a sanction hearing. Prehearing time served must be credited to the offender's sanction time.

(5) The department shall adopt rules creating hearing procedures for high level violations. The hearings are offender disciplinary proceedings and are not subject to chapter 34.05 RCW. The procedures shall include the following:

(a) (Hearing officers shall report through a chain of command separate from that of community corrections officers;

(b)) The department shall provide the offender with written notice of the alleged violation(,) and the evidence ((relied upon, and the reasons the particular sanction was imposed)) supporting it. The notice ((shall)) must include a statement of the rights specified in this subsection, and the offender's right to file a personal restraint petition under court rules after the final decision ((of the department));

~~((c) The hearing shall be held))~~ (b) Unless ((waived by)) the offender waives the right to a hearing, the department shall hold a hearing, and shall ((be)) record it electronically ((recorded)). For offenders not in total confinement, the department shall hold a hearing ((shall be held)) within fifteen ((working)) business days, but not less than twenty-four hours, after written notice of the alleged

violation. For offenders in total confinement, the department shall hold a hearing ((shall be held)) within five ((working)) business days, but not less than twenty-four hours, after written notice of the alleged violation;

~~((d))~~ (c) The offender shall have the right to: (i) Be present at the hearing; (ii) have the assistance of a person qualified to assist the offender in the hearing, appointed by the hearing officer if the offender has a language or communications barrier; (iii) testify or remain silent; (iv) call witnesses and present documentary evidence; ~~((and))~~ (v) question witnesses who appear and testify; and (vi) receive a written summary of the reasons for the hearing officer's decision; and

~~((e))~~ (d) The sanction shall take effect if affirmed by the hearing officer. ~~((Within seven days after the hearing officer's decision, the offender may appeal the decision))~~ The offender may appeal the sanction to a panel of three reviewing officers designated by the secretary or by the secretary's designee. The offender's appeal must be in writing and hand-delivered to department staff, or postmarked, within seven days after the sanction was imposed. The ((sanction shall be reversed or modified)) appeals panel shall affirm, reverse, modify, vacate, or remand based on its findings. If a majority of the panel finds that the sanction was not reasonably related to any of the following: (i) The crime of conviction; (ii) the violation committed; (iii) the offender's risk of reoffending; or (iv) the safety of the community, then the panel will reverse, vacate, remand, or modify the sanction.

~~((f))~~ (6) For purposes of this section, ~~((no finding of a violation of conditions may be based on unconfirmed or unconfirmable allegations))~~ the hearings officer may not rely on unconfirmed or unconfirmable allegations to find that the offender violated a condition.

(7) Hearing officers shall report through a chain of command separate from that of community corrections officers.

**Sec. 8.** RCW 9.94A.740 and 2008 c 231 s 22 are each amended to read as follows:

(1) When an offender is arrested pursuant to RCW ~~9.94A.631~~ or 9.94A.716, the department shall compensate the local jurisdiction at the office of financial management's adjudicated rate, in accordance with RCW 70.48.440, until the department releases its detainee.

(2) Inmates, as defined in RCW 72.09.015, who have been transferred to community custody and who are detained in a local correctional facility are the financial responsibility of the department of corrections, except as provided in subsection (3) of this section.

(3) For confinement sanctions imposed by the department under RCW 9.94A.670, the local correctional facility shall be financially responsible.

(4) The department, in consultation with the Washington association of sheriffs and police chiefs and those counties in which the sheriff does not operate a correctional facility, shall establish a methodology for determining the department's local correctional facilities bed utilization rate, for each county in calendar year 1998, for offenders being held for violations of conditions of community custody.

(5) Except as provided in subsections (1) and (2) of this section, the local correctional facility shall continue to be financially responsible to the extent of the calendar year 1998 bed utilization rate for confinement sanctions imposed by the department pursuant to RCW 9.94A.737. If the department's use of bed space in local correctional facilities of any county for such confinement sanctions exceeds the 1998 bed utilization rate for the county, the department shall compensate the county for the excess use at the per diem rate equal to the lowest rate charged by the county under its contract with a municipal government during the year in which the use occurs.

**Sec. 9.** RCW 9.95.210 and 2011 1st sp.s. c 40 s 7 are each amended to read as follows:

(1) In granting probation, the superior court may suspend the imposition or the execution of the sentence and may direct that the suspension may continue upon such conditions and for such time as it shall designate, not exceeding the maximum term of sentence or two years, whichever is longer.

(2) In the order granting probation and as a condition thereof, the superior court may in its discretion imprison the defendant in the county jail for a period not exceeding one year and may fine the defendant any sum not exceeding the statutory limit for the offense committed, and court costs. As a condition of probation, the superior court shall require the payment of the penalty assessment required by RCW 7.68.035. The superior court may also require the defendant to make such monetary payments, on such terms as it deems appropriate under the circumstances, as are necessary: (a) To comply with any order of the court for the payment of family support; (b) to make restitution to any person or persons who may have suffered loss or damage by reason of the commission of the crime in question or when the offender pleads guilty to a lesser offense or fewer offenses and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim of an offense or offenses which are not prosecuted pursuant to a plea agreement; (c) to pay such fine as may be imposed and court costs, including reimbursement of the state for costs of extradition if return to this state by extradition was required; (d) following consideration of the financial condition of the person subject to possible electronic monitoring, to pay for the costs of electronic monitoring if that monitoring was required by the court as a condition of release from custody or as a condition of probation; (e) to contribute to a county or interlocal drug fund; and (f) to make restitution to a public agency for the costs of an emergency response under RCW 38.52.430, and may require bonds for the faithful observance of any and all conditions imposed in the probation.

(3) The superior court shall order restitution in all cases where the victim is entitled to benefits under the crime victims' compensation act, chapter 7.68 RCW. If the superior court does not order restitution and the victim of the crime has been determined to be entitled to benefits under the crime victims' compensation act, the department of labor and industries, as administrator of the crime victims' compensation program, may petition the superior court within one year of imposition of the sentence for entry of a restitution order. Upon receipt of a petition from the department of labor and industries, the superior court shall hold a restitution hearing and shall enter a restitution order.

(4) In granting probation, the superior court may order the probationer to report to the secretary of corrections or such officer as the secretary may designate and as a condition of the probation to follow the instructions of the secretary for up to twelve months. If the county legislative authority has elected to assume responsibility for the supervision of superior court misdemeanor probationers within its jurisdiction, the superior court misdemeanor probationer shall report to a probation officer employed or contracted for by the county. In cases where a superior court misdemeanor probationer is sentenced in one county, but resides within another county, there must be provisions for the probationer to report to the agency having supervision responsibility for the probationer's county of residence.

(5) If the probationer has been ordered to make restitution and the superior court has ordered supervision, the officer supervising the probationer shall make a reasonable effort to ascertain whether restitution has been made. If the superior court has ordered supervision and restitution has not been made as ordered, the officer shall inform the prosecutor of that violation of the terms of probation not less than three months prior to the termination of the probation period. The secretary of corrections will promulgate rules and regulations for the conduct of the person during the term of probation. For defendants found guilty in district court, like functions as the secretary performs in regard to probation may be performed by

probation officers employed for that purpose by the county legislative authority of the county wherein the court is located.

(6) The provisions of RCW 9.94A.501 and 9.94A.5011 apply to sentences imposed under this section.

**NEW SECTION. Sec. 10.** (1)(a) The legislature finds that traditional mechanisms of surveillance-based supervision and sanctioning are ineffective in reducing recidivism or improving public safety. The legislature is persuaded by recent research showing that swift and certain sanctions, in combination with treatment-based interventions that address chemical dependency and criminogenic behaviors, are a more effective and efficient use of public resources to affect future crime.

(b) Notwithstanding, this is a new approach for Washington. It is imperative to the success of the state's system of offender supervision that the department of corrections be vigilant in:

(i) Monitoring the quality and consistency of applying swift and certain sanctions across the state;

(ii) Ensuring that sanctions are commensurate with identified behaviors and, to the extent possible, produce satisfactory results;

(iii) Applying evidence-based treatment and evaluation principles to address offenders' criminogenic and chemical dependency needs and therefore pairing the offender with the appropriate treatment; and

(iv) Maintaining good relations and open communication with law enforcement to assist in identifying offenders that pose the greatest risk to public safety.

(2) In implementing the provisions of this act, the department of corrections is directed to:

(a) Form stakeholder groups, that may include but are not limited to local community corrections officers, law enforcement, prosecuting attorneys, superior court judges, chemical dependency treatment and other community providers, and victim advocates;

(b) Within available resources, provide inpatient or outpatient chemical dependency treatment to offenders initially assessed as in need of treatment based on an evaluation of the offender's needs by a certified staff or chemical dependency provider utilizing evidence-based tools for evaluation;

(c) Perform outreach to the criminal justice training commission and local law enforcement agencies to ensure law enforcement is informed of changes in procedures for holding offenders pending the filing of charges for a new crime and establish ongoing channels of communication with local law enforcement for conveying information about individual offenders who have committed new crimes;

(d) Survey community corrections officers on a periodic basis to gather input and suggestions.

(3) The department shall report to the governor, appropriate committees of the legislature, and the stakeholder groups as identified in subsection (2)(a) of this section on its progress and activities in implementing this act, steps taken to improve the efficacy of chemical dependency treatment, evidence of outcomes achieved as reported by providers through submission of performance measure data, and including any recommended changes in legislation, no later than December 1, 2012, and December 1, 2013.

(4) This section expires December 31, 2013.

**NEW SECTION. Sec. 11.** This act applies retroactively and prospectively regardless of the date of an offender's underlying offense.

**NEW SECTION. Sec. 12.** 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. 13.** Section 2 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. Sec. 14. Sections 1 and 3 through 13 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect June 1, 2012."

Correct the title.

Signed by Representatives Hunter, Chair; Darneille, Vice Chair; Hasegawa, Vice Chair; Carlyle; Cody; Dickerson; Haigh; Hudgins; Hunt; Kagi; Kenney; Ormsby; Pettigrew; Seaquist; Springer and Sullivan.

MINORITY recommendation: Do not pass. Signed by Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Dammeier, Assistant Ranking Minority Member; Orcutt, Assistant Ranking Minority Member; Chandler; Haler; Hinkle; Parker; Ross; Schmick and Wilcox.

There being no objection, the bills, memorials and resolutions listed on the day's committee reports under the fifth order of business were placed on the second reading calendar.

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

There being no objection, the Committee on Ways & Means was relieved of HOUSE BILL NO. 2262, and the bill was placed on second reading calendar.

#### RESOLUTION

**HOUSE RESOLUTION NO. 4688**, by Representatives Hunt, Reykdal, Kenney, and McCoy

WHEREAS, Next July 29th in Olympia, upwards of 15,000 visitors will enthusiastically welcome the arrival of over 100 tribal canoes as they conclude long distance journeys as participants in this year's Tribal Canoe Journey, "Paddle to Squaxin 2012," hosted by the Squaxin Island Tribe, whose homeland is South Puget Sound; and

WHEREAS, The canoes will represent approximately 60 tribes from many locations in Washington, Alaska, and British Columbia, as well as from other states and countries, and will arrive at the Port of Olympia's NorthPoint near Swantown Marina in downtown Olympia; and

WHEREAS, Following their arrival in Olympia, they will join together in multiday cultural festivities until August 5th, which are open to the public, at the Squaxin Tribal community at Kamilche, halfway between Olympia and Shelton, in Mason County; and

WHEREAS, The Canoe Journey, "Paddle to Squaxin 2012," represents a revival of traditional canoe culture so fundamental to traditional Native American life around Puget Sound, the Salish Sea, the Strait of Juan de Fuca, the Pacific Ocean, and other Pacific Northwest marine waters, which frequently involved long journeys for economic, social, and cultural purposes; and

WHEREAS, The Tribal Canoe Journeys have become a vital activity of the revitalization of cultural expression for Native American families to pass along their traditional way of life to younger generations; and

WHEREAS, The inaugural Tribal Canoe Journey, "Paddle to Seattle," coincided with the 1989 State of Washington's Centennial Celebration and brought 17 tribes together as a tribute to the Salish Seas tribal canoe tradition and cultural heritage; and

WHEREAS, "Paddle to Squaxin 2012" is a community-building, youth-focused drug and alcohol-free, waste-free event, with the motto, "Teachings of Our Ancestors";

NOW, THEREFORE, BE IT RESOLVED, That the Washington State House of Representatives heartily welcome to the State Capital the many tribal members, tribal paddlers, their support teams, hundreds of volunteers, and thousands of enthusiastic visitors, who will participate in the Canoe Journey, "Paddle to Squaxin 2012" historic gathering; and

BE IT FURTHER RESOLVED, That the Washington State House of Representatives congratulate the Squaxin Island Tribe for its leadership in organizing and hosting the Canoe Journey, "Paddle to Squaxin 2012" event, and further express its appreciation to the City of Olympia, the Port of Olympia, Mason county, Thurston county, and hundreds of volunteers for their active support of this historic event; and

BE IT FURTHER RESOLVED, That the Washington State House of Representatives express its admiration for the personal fitness and endurance of the tribal paddlers, many of whom will have paddled for hundreds of miles to arrive in Olympia; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Chief Clerk of the Washington State House of Representatives to the Squaxin Island Tribe, the City of Olympia, the Port of Olympia, Mason county, and Thurston county.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of House Resolution No. 4688.

HOUSE RESOLUTION NO. 4688 was adopted.

#### RESOLUTION

**HOUSE RESOLUTION NO. 4686**, by Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Chopp, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, and Zeiger

WHEREAS, Representative Mary Lou Dickerson has honorably served the people of the 36th Legislative District and Washington as a member of this House of Representatives for 17 years, and only one sitting member has served longer; and

WHEREAS, Mary Lou Dickerson has consistently maintained her values, her composure and determination even in times of great turmoil and strife, always showing unending compassion for neighbors, her community, and the entire state of Washington; and

WHEREAS, Mary Lou Dickerson has consistently championed legislation for the well-being of children and families, the working poor, people with disabilities, senior citizens, foster children and others who needed a strong voice and a faithful supporter on their side; and

WHEREAS, Mary Lou Dickerson has tremendous respect for all members of the Legislature and has reached across the aisle and the rotunda to do what is best for the people of Washington; and

WHEREAS, Mary Lou Dickerson's leadership on raising parental awareness of video game violence led to improvements in the national game rating system and led President Bill Clinton to bring

her to the White House Rose Garden national summit on youth violence in 2009; and

WHEREAS, The Children's Safe Product Act sponsored by Mary Lou Dickerson made Washington the first state in the nation to address the issue of lead and other toxic substances in toys and became a national model on safe children's products for other states; and

WHEREAS, Mary Lou Dickerson is also responsible for improving the lives of countless children in Washington by going head to head with industry lobbyists to stop toxic chemicals from being used in baby bottles and other products intended for infants and toddlers; and

WHEREAS, Mary Lou Dickerson and her allies were responsible for bringing a giant baby bottle to the Capitol Campus to illustrate her point; and

WHEREAS, Mary Lou Dickerson's pioneering work on evidence-based juvenile justice reforms helped Washington to reduce juvenile crime by 40 percent since 2000; and

WHEREAS, While serving the people of Seattle and Washington tirelessly as a state representative, Mary Lou Dickerson managed to find time to write her book entitled Small Victories and to win the national American Foundation for the Blind Catherine Gallagher Award; and

WHEREAS, Mary Lou Dickerson recently became the first person to receive the annual Spirit of June Leonard Award, which recognizes the lawmaker who best embodies the vision, principles, and dedication of the late great June Leonard; and

WHEREAS, Mary Lou Dickerson has worn her rhinestone tiaras with pride both on and off the floor of the House of Representatives; and

WHEREAS, The world deserves the opportunity to see the miracles that Mary Lou Dickerson can work with a paint brush and easel, in addition to the miracles she has accomplished as a state representative; and

WHEREAS, Those who work for her will miss her as much as those who work with her; and

WHEREAS, The Democratic Caucus will miss any future performances of Mary Lou and the 6-Footers;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives celebrate and honor Mary Lou Dickerson's many spectacular accomplishments in the Legislature and her community; and

BE IT FURTHER RESOLVED, That the members of this House of Representatives wish Mary Lou Dickerson the happiest of retirements with her husband John and family in the Seattle community she loves so much and has served so well.

Representative Carlyle moved adoption of HOUSE RESOLUTION NO. 4686

Representatives Carlyle, Johnson, Cody, Hinkle, Darneille, Parker, Kenney, Kagi and Ahern spoke in favor of the adoption of the resolution.

HOUSE RESOLUTION NO. 4686 was adopted.

## RESOLUTION

**HOUSE RESOLUTION NO. 4680, by Representatives Haigh, Kelley, Hurst, Green, Lytton, Takko, Van De Wege, Pollet, Wylie, Appleton, Probst, Carlyle, Reykdal, Liias, Walsh, Johnson, Moscoso, Smith, Clibborn, Dickerson, Angel, Ryu, Miloscia, Pettigrew, Kenney, Springer, Goodman, Hunt, Upthegrove, Cody, Ormsby, Hansen, Roberts, Pedersen, Jinkins, Blake, Seaquist, Kagi, Orwall, Maxwell, Dunshee, Hasegawa, Sells, Morris, Santos, Eddy, Billig, Kirby, Hunter, Darneille,**

**Ladenburg, Stanford, Fitzgibbon, Sullivan, Chopp, Hudgins, Armstrong, Hinkle, DeBolt, Rivers, Shea, Rodne, Warnick, Hargrove, Crouse, Dammeier, Nealey, McCoy, and Tharinger**

WHEREAS, Washington State Representative Fred Finn has served the people of the 35th Legislative District with great honor and distinction since 2009; and

WHEREAS, Representative Finn has announced he will retire from the Washington State Legislature at the conclusion of his current term; and

WHEREAS, Representative Finn's district includes all of Mason county and parts of Kitsap, Thurston, and Grays Harbor counties; and

WHEREAS, Representative Finn was born in 1945 in the state of Connecticut, and graduated from The Brunswick School in Greenwich; and

WHEREAS, Representative Finn received his undergraduate degree from Johns Hopkins University and his Juris Doctor from Fordham University School of Law; and

WHEREAS, Representative Finn served honorably in the United States Army from 1968 to 1971; and

WHEREAS, Representative Finn worked for the Federal Communications Commission from 1973 to 1976; and

WHEREAS, Representative Finn was a partner in the telecommunications law firm of Brown and Finn; and

WHEREAS, While living and working in the Washington, D.C. area, Representative Finn wrote the laws and regulations for Cable TV and Satellites, and testified before the United States House of Representatives and United States Senate on telecommunication policy; and

WHEREAS, Representative Finn first came to Washington state to help start KXXO 96.1 FM, a radio station in Olympia; and

WHEREAS, Representative Finn was also a small business owner in Olympia, owning and operating the Lynch Paint Store at 4th and Jefferson for many years; and

WHEREAS, Representative Finn served for nine years on the Griffin School Board, founded the Griffin School Foundation to help raise funds for school needs, and started the Tiernan-Keigher Scholarship Program; and

WHEREAS, It was Representative Finn's involvement on the Griffin School Board and desire to fully fund Basic Education in our state that led him to run for state representative; and

WHEREAS, Representative Finn has sponsored and cosponsored legislation to help veterans and military service members, law enforcement officers, working families, small businesses, and the most vulnerable in our communities; and

WHEREAS, Representative Finn has a deep love for the natural beauty of Washington state, and has supported efforts to protect our waterways from pollution and toxins; and

WHEREAS, In addition to his legislative family, Representative Fred Finn has a loving and devoted family in the form of his wife, Bonnie, his children Sean, Megan, and Wyatt, and his grandsons Vast and Frederick Wesley; and

WHEREAS, Representative Finn has a love of music and plays guitar and saxophone, and is a talented singer and dancer; and

WHEREAS, Representative Finn played in a rock and roll band called The Routemen, who performed at the 1965 World's Fair in New York; and

WHEREAS, The Washington State Legislature will not be the same without him;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives of the State of Washington celebrate and commemorate the grand and distinguished legislative, civic, and professional career of Washington State Representative Fred Finn; and

BE IT FURTHER RESOLVED, That copies of this resolution be immediately transmitted by the Chief Clerk of the House of

Representatives to Washington State Representative Fred Finn and the members of his family.

Representative Haigh moved adoption of HOUSE RESOLUTION NO. 4680

Representatives Haigh, Alexander, Morris, Smith, Hunt, Angel and Seaquist spoke in favor of the adoption of the resolution.

HOUSE RESOLUTION NO. 4680 was adopted.

#### POINT OF PERSONAL PRIVILEGE

Representative Finn: "I just wanted to say a few words. First of all you all look a lot better from up here and close up I must say. All good things must come to an end, many years ago as mentioned we played in a rock and roll band in the New York World Fair, and then we tried to come back and I played in the 70's and I thought we sounded and looked pretty good, until an ex-girlfriend came up and looked at me in my gold lemay outfit and said "you look like a stuffed sausage" and so it was time to go then and it's time to go now. I want to thank a few people particularly, I worked in D.C. for fifteen years worked with the staff of the Congress and the Senate quite a bit and let me tell you the staff that we have in this organization is every bit as good, every bit as good and have a much better attitude, smart group of folks and I really really applaud all of them. A couple of individuals the gentle lady from the 41st who with the gentlemen from the 12th run a great, wonderful committee. The lady behind from the 46th, Phyllis thank you so much for opening my eyes to so many things, to the homeless, to the plight of the working folks in the fields and you have been an inspiration to me. To my seat mate from the 35th District your dedication to education of all the children in Washington is just wonderful and you tell a great story, I just wish you would tell the story about the artificial insemination of the cow out in Shelton some day, that will be for another time. My seat mate Skipper, I was an enlisted man in the army when I first came up to him I did not know whether to shake his hand, salute him, or request permission to come aboard. I can't imagine being the skipper of the Battle Ship Iowa, but I guess controlling our desk there had its own challenges. Speaking of gentlemen in the military, there is a gentlemen from the 8th across the way there who's passion, one of my fondest memories of being in this legislature is listening to him do the pledge of allegiance every day, at first I did not know quite what to make of him, but I realize that passion is a passion for the lord, and for our country and for his family, I salute him. The lovely lady from the 10th we did go to China together, we had a wonderful time not on any tax payers expense, it all came out of our pocket. We went into this one province called Chengdu, there was a tinny gentlemen who was a major general a provincial head, he had a young lady sing a song to us, it was a traditional song and at the end of the time he got up and looked at the Secretary of State and said Mr. Secretary its customary for you now to respond in song. Sam looked at us and I tried to crawl under the table, but we did a wonderful rendition of you are my sunshine in two part harmony with the gentle lady from the 10th, she was great I was pretty pathetic. Then finally when I came to the legislature I wanted to work as much as I could bi-partisanly and to try and put together coalitions, and I was fortunate enough earlier this year with the gentlemen from the 20th who spoke earlier and I think the gentlemen from the 25th was on it also and we built quite a coalition on that, we had the grange, Tim Eyman, the SEIU and a certain Senator Roach from the other side and that was the good news, the bad news was they were lined up against the bill, but I guess you can't have everything. So thank you all so very much."

#### SPEAKER'S PRIVILEGE

The Speaker (Representative Moeller presiding) asked Fred Finn's wife Bonnie Finn seated in the south gallery to stand and asked the Chamber to acknowledge her.

#### RESOLUTION

**HOUSE RESOLUTION NO. 4685, by Representatives Santos, Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Chopp, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, and Zeiger**

WHEREAS, Representative Phyllis Gutiérrez Kenney has honorably and distinguishably served the people of the 46th Legislative District for 15 years; and

WHEREAS, Representative Phyllis Gutiérrez Kenney has led with wisdom, grace, and dignity; and

WHEREAS, Representative Gutiérrez Kenney's past is just as interesting as her present; she was born in Hardin, Montana to hardworking migrant farm workers; and

WHEREAS, Being one of eight children, Representative Gutiérrez Kenney grew up in the Yakima Valley area and worked in the fields from the age of five; and

WHEREAS, Representative Gutiérrez Kenney was appointed to the Washington State Legislature in January of 1997 and is currently finishing her eighth and final term representing the residents of the 46th Legislative District; and

WHEREAS, In her professional, as well as legislative activities, Representative Gutiérrez Kenney has consistently addressed important and difficult issues concerning health, education, affordable housing, and economic development and has led successful efforts in obtaining funding for farm worker housing since 1999; and

WHEREAS, She has lead the way in higher education in Washington State, supporting legislation that benefited high-demand fields, allowed branch campuses to offer four-year degrees, increased investments into higher education, especially scholarships and loan-forgiveness programs, and created the Opportunity Grants program; and

WHEREAS, She has sponsored landmark legislation aimed at providing in-state tuition at Washington's public colleges and universities for undocumented students who graduate from Washington high schools, as well as legislation to create scholarships and expand access to higher education for low-income and minority students in Washington; and

WHEREAS, Two of her legacy measures have received national accolades, including recognition from President Barack Obama, and the Opportunity Grants and Integrated Basic Education and Skills Training (IBEST) programs will continue to help young people reach their dreams for generations to come; and

WHEREAS, Representative Gutiérrez Kenney has been a tireless champion for minorities in the State of Washington; she cofounded the Washington State Migrant Child Care Centers, the Educational Institute for Rural Families, and the Farm Workers Clinics, as well as

being instrumental in establishing statewide Child Care and Early Childhood Education Teacher Training Programs; and

WHEREAS, Representative Gutiérrez Kenney has also been a successful champion for women's rights, especially for Latinas and other minorities; she has cosponsored bills protecting women and children from human trafficking, violence, and predatory behavior; and

WHEREAS, Representative Gutiérrez Kenney has received numerous awards distinguishing her hard work and relentless pursuit of providing the residents of Washington with a better place to call home, including passage of her legacy document recording fee measure;

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives celebrate and commemorate the distinguished legislative, professional, and personal career of Washington State Representative Phyllis Gutiérrez Kenney.

Representative Santos moved adoption of HOUSE RESOLUTION NO. 4685

Representatives Santos, Smith, Dickerson, Chandler, Hurst, Johnson and Pollet spoke in favor of the adoption of the resolution.

HOUSE RESOLUTION NO. 4685 was adopted.

#### SPEAKER'S PRIVILEGE

The Speaker (Representative Moeller presiding) asked member of Representative Kenney's family seated in the north gallery Larry Kenney, Elizabeth Maltos and Jonathan Maltos to stand and asked the Chamber to acknowledge them.

There being no objection, the Committee on Ways & Means was relieved of SUBSTITUTE SENATE BILL NO. 6600, and the bill was placed on the second reading calendar.

#### MESSAGES FROM THE SENATE

March 8, 2012

MR. SPEAKER:

The Senate has passed:

ENGROSSED HOUSE BILL NO. 2620  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2799  
and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 8, 2012

MR. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

SECOND SUBSTITUTE SENATE BILL NO. 5355  
SUBSTITUTE SENATE BILL NO. 5766  
SUBSTITUTE SENATE BILL NO. 6135  
ENGROSSED SUBSTITUTE SENATE BILL NO. 6383  
and the same are herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, the House reverted to the seventh order of business.

#### THIRD READING

#### CONFERENCE COMMITTEE REPORT

March 7, 2012

Engrossed Substitute Senate Bill No. 6150

Includes "New Item": YES

Mr. Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SUBSTITUTE SENATE BILL NO. 6150, , addressing the driver's license, permit, and identicard system, including the administration of a facial recognition matching system, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment be adopted.

Strike everything after the enacting clause and insert the following:

"Sec. 15. RCW 46.20.037 and 2006 c 292 s 1 are each amended to read as follows:

(1) ((No later than two years after full implementation of the provisions of Title II of P.L. 109-13, improved security for driver's licenses and personal identification cards (Real ID), as passed by Congress May 10, 2005,)) The department ((shall)) may implement a ((voluntary biometric)) facial recognition matching system for ((driver's)) drivers' licenses, permits, and identicards. ((A biometric)) Any facial recognition matching system ((shall)) selected by the department must be used only to verify the identity of an applicant for or holder of a ((renewal or duplicate)) driver's license, permit, or identicard ((by matching a biometric identifier submitted by the applicant against the biometric identifier submitted when the license was last issued. This project requires a full review by the information services board using the criteria for projects of the highest visibility and risk)) to determine whether the person has been issued a driver's license, permit, or identicard under a different name or names.

(2) Any ((biometric)) facial recognition matching system selected by the department ((shall)) must be capable of highly accurate matching, and ((shall)) must be compliant with ((biometric)) appropriate standards established by the American association of motor vehicle administrators that exist on the effective date of this section, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

(3) ((The biometric matching system selected by the department must incorporate a process that allows the owner of a driver's license or identicard to present a personal identification number or other code along with the driver's license or identicard before the information may be verified by a third party, including a governmental entity.

(4) Upon the establishment of a biometric driver's license and identicard system as described in this section, the department shall allow every person applying for an original, renewal, or duplicate driver's license or identicard to voluntarily submit a biometric identifier. Each applicant shall be informed of all ways in which the biometric identifier may be used, all parties to whom the identifier may be disclosed and the conditions of disclosure, the expected error rates for the biometric matching system which shall be regularly updated as the technology changes or empirical data is collected, and the potential consequences of those errors. The department shall adopt rules to allow applicants to verify the accuracy of the system at the time that biometric information is submitted, including the use of at least two separate devices.

(5) The department may not disclose biometric information to the public or any governmental entity except when authorized by court order.

(6)) The department shall post notices in conspicuous locations at all department driver licensing offices, make written information available to all applicants at department driver licensing offices, and

provide information on the department's web site regarding the facial recognition matching system. The notices, written information, and information on the web site must address how the facial recognition matching system works, all ways in which the department may use results from the facial recognition matching system, how an investigation based on results from the facial recognition matching system would be conducted, and a person's right to appeal any determinations made under this chapter.

(4) Results from the facial recognition matching system:

(a) Are not available for public inspection and copying under chapter 42.56 RCW;

(b) May only be disclosed when authorized by a court order;

(c) May only be disclosed to a federal government agency if specifically required under federal law; and

(d) May only be disclosed by the department to a government agency, including a court or law enforcement agency, for use in carrying out its functions if the department has determined that person has committed one of the prohibited practices listed in RCW 46.20.0921 and this determination has been confirmed by a hearings examiner under this chapter or the person declined a hearing or did not attend a scheduled hearing.

(5) All ((biometric)) personally identifying information ((shall)) derived from the facial recognition matching system must be stored with appropriate security safeguards((, including but not limited to encryption)). The office of the chief information officer shall develop the appropriate security standards for the department's use of the facial recognition matching system, subject to approval and oversight by the technology services board.

((7)) (6) The department shall develop procedures to handle instances in which the ((biometric)) facial recognition matching system fails to verify the identity of an applicant for a renewal or duplicate driver's license, permit, or identicard. These procedures ((shall)) must allow an applicant to prove identity without using ((a biometric identifier.

(8) Any person who has voluntarily submitted a biometric identifier may choose to discontinue participation in the biometric matching program at any time, provided that the department utilizes a secure procedure to prevent fraudulent requests for a renewal or duplicate driver's license or identicard. When the person discontinues participation, any previously collected biometric information shall be destroyed.

(9) This section does not apply when an applicant renews his or her driver's license or identicard by mail or electronic commerce)) the facial recognition matching system.

**NEW SECTION. Sec. 16.** A new section is added to chapter 46.20 RCW to read as follows:

(1) The department shall report to the governor and the legislature by October 1st of each year, beginning October 1, 2012, on the following numbers during the previous fiscal year: The number of investigations initiated by the department based on results from the facial recognition matching system; the number of determinations made that a person has committed one of the prohibited practices in RCW 46.20.0921 after the completion of an investigation; the number of determinations that were confirmed by a hearings examiner and the number that were overturned by a hearings examiner; the number of cases where a person declined a hearing or did not attend a scheduled hearing; and the number of determinations that were referred to law enforcement.

(2) This section expires June 30, 2017.

**NEW SECTION. Sec. 17.** A new section is added to chapter 46.04 RCW to read as follows:

"Facial recognition matching system" means a system that compares the biometric template derived from an image of an applicant or holder of a driver's license, permit, or identicard with the biometric templates derived from the images in the department's negative file.

**NEW SECTION. Sec. 18.** RCW 46.20.038 (Biometric matching system--Funding) and 2004 c 273 s 4 are each repealed.

**Sec. 19.** RCW 46.20.055 and 2010 c 223 s 1 are each amended to read as follows:

(1) **Driver's instruction permit.** The department may issue a driver's instruction permit with or without a photograph to an applicant who has successfully passed all parts of the examination other than the driving test, provided the information required by RCW 46.20.091, paid ((a)) an application fee of twenty-five dollars, and meets the following requirements:

(a) Is at least fifteen and one-half years of age; or

(b) Is at least fifteen years of age and:

(i) Has submitted a proper application; and

(ii) Is enrolled in a traffic safety education program offered, approved, and accredited by the superintendent of public instruction or offered by a driver training school licensed and inspected by the department of licensing under chapter 46.82 RCW, that includes practice driving.

(2) **Waiver of written examination for instruction permit.** The department may waive the written examination, if, at the time of application, an applicant is enrolled in:

(a) A traffic safety education course as defined by RCW 28A.220.020(2); or

(b) A course of instruction offered by a licensed driver training school as defined by RCW 46.82.280.

The department may require proof of registration in such a course as it deems necessary.

(3) **Effect of instruction permit.** A person holding a driver's instruction permit may drive a motor vehicle, other than a motorcycle, upon the public highways if:

(a) The person has immediate possession of the permit;

(b) The person is not using a wireless communications device, unless the person is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property; and

(c) An approved instructor, or a licensed driver with at least five years of driving experience, occupies the seat beside the driver.

(4) **Term of instruction permit.** A driver's instruction permit is valid for one year from the date of issue.

(a) The department may issue one additional one-year permit.

(b) The department may issue a third driver's permit if it finds after an investigation that the permittee is diligently seeking to improve driving proficiency.

(c) A person applying ((to renew)) for an additional instruction permit must submit the application to the department in person and pay an application fee of twenty-five dollars for each issuance.

**Sec. 20.** RCW 46.20.117 and 2005 c 314 s 305 are each amended to read as follows:

(1) **Issuance.** The department shall issue an identicard, containing a picture, if the applicant:

(a) Does not hold a valid Washington driver's license;

(b) Proves his or her identity as required by RCW 46.20.035; and

(c) Pays the required fee. Except as provided in subsection (5) of this section, the fee is ((twenty)) forty-five dollars from October 1, 2012, to June 30, 2013, and fifty-four dollars after June 30, 2013, unless an applicant is a recipient of continuing public assistance grants under Title 74 RCW, who is referred in writing by the secretary of social and health services. For those persons the fee must be the actual cost of production of the identicard.

(2) **Design and term.** The identicard must:

(a) Be distinctly designed so that it will not be confused with the official driver's license; and

(b) Except as provided in subsection (5) of this section, expire on the ((fifth)) sixth anniversary of the applicant's birthdate after issuance.

(3) **Renewal.** An application for identicard renewal may be submitted by means of:

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her identicard by mail or by electronic commerce when it last expired. ~~((However, the department may accept an application for renewal of an identicard submitted by means of mail or electronic commerce only if specific authority and funding is provided for this purpose by June 30, 2004, in the omnibus transportation appropriations act.))~~

An identicard may not be renewed by mail or by electronic commerce unless the renewal issued by the department includes a photograph of the identicard holder.

(4) **Cancellation.** The department may cancel an identicard if the holder of the identicard used the card or allowed others to use the card in violation of RCW 46.20.0921.

(5) **Alternative issuance/renewal/extension.** The department may issue or renew an identicard for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or may extend by mail or electronic commerce an identicard that has already been issued, in order to evenly distribute, as nearly as possible, the yearly renewal rate of identicard holders. The fee for an identicard issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or that has been extended by mail or electronic commerce, is nine dollars for each year that the identicard is issued, renewed, or extended. The department may adopt any rules as are necessary to carry out this subsection.

**Sec. 21.** RCW 46.20.120 and 2011 c 370 s 4 are each amended to read as follows:

An applicant for a new or renewed driver's license must successfully pass a driver licensing examination to qualify for a driver's license. The department must ensure that examinations are given at places and times reasonably available to the people of this state. If the department does not administer driver licensing examinations as a routine part of its licensing services within a department region because adequate testing sites are provided by driver training schools or school districts within that region, the department shall, at a minimum, administer driver licensing examinations by appointment to applicants eighteen years of age and older in at least one licensing office within that region.

(1) **Waiver.** The department may waive:

(a) All or any part of the examination of any person applying for the renewal of a driver's license unless the department determines that the applicant is not qualified to hold a driver's license under this title; or

(b) All or any part of the examination involving operating a motor vehicle if the applicant:

(i) Surrenders a valid driver's license issued by the person's previous home state; or

(ii) Provides for verification a valid driver's license issued by a foreign driver licensing jurisdiction with which the department has an informal agreement under RCW 46.20.125; and

(iii) Is otherwise qualified to be licensed.

(2) **Fee.** Each applicant for a new license must pay an examination fee of ~~((twenty))~~ thirty-five dollars.

(a) The examination fee is in addition to the fee charged for issuance of the license.

(b) "New license" means a license issued to a driver:

(i) Who has not been previously licensed in this state; or

(ii) Whose last previous Washington license has been expired for more than ~~((five))~~ six years.

(3) An application for driver's license renewal may be submitted by means of:

(a) Personal appearance before the department; or

(b) Mail or electronic commerce, if permitted by rule of the department and if the applicant did not renew his or her license by mail or by electronic commerce when it last expired.

(4) A person whose license expired or will expire while he or she is living outside the state, may:

(a) Apply to the department to extend the validity of his or her license for no more than twelve months. If the person establishes to the department's satisfaction that he or she is unable to return to Washington before the date his or her license expires, the department shall extend the person's license. The department may grant consecutive extensions, but in no event may the cumulative total of extensions exceed twelve months. An extension granted under this section does not change the expiration date of the license for purposes of RCW 46.20.181. The department shall charge a fee of five dollars for each license extension;

(b) Apply to the department to renew his or her license by mail or, if permitted by rule of the department, by electronic commerce even if subsection (3)(b) of this section would not otherwise allow renewal by that means. If the person establishes to the department's satisfaction that he or she is unable to return to Washington within twelve months of the date that his or her license expires, the department shall renew the person's license by mail or, if permitted by rule of the department, by electronic commerce.

(5) If a qualified person submits an application for renewal under subsection (3)(b) or (4)(b) of this section, he or she is not required to pass an examination nor provide an updated photograph. A license renewed by mail or by electronic commerce that does not include a photograph of the licensee must be labeled "not valid for identification purposes."

(6) Driver training schools licensed by the department under chapter 46.82 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.

(7) School districts that offer a traffic safety education program under chapter 28A.220 RCW may administer the portions of the driver licensing examination that test the applicant's knowledge of traffic laws and ability to safely operate a motor vehicle.

**Sec. 22.** RCW 46.20.161 and 2000 c 115 s 6 are each amended to read as follows:

The department, upon receipt of a fee of ~~((twenty-five))~~ forty-five dollars from October 1, 2012, to June 30, 2013, and fifty-four dollars after June 30, 2013, unless the driver's license is issued for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, in which case the fee shall be ~~((five))~~ nine dollars for each year that the license is issued, which includes the fee for the required photograph, shall issue to every qualifying applicant a driver's license. A driver's license issued to a person under the age of eighteen is an intermediate license, subject to the restrictions imposed under RCW 46.20.075, until the person reaches the age of eighteen. The license must include a distinguishing number assigned to the licensee, the name of record, date of birth, Washington residence address, photograph, a brief description of the licensee, and either a facsimile of the signature of the licensee or a space upon which the licensee shall write his or her usual signature with pen and ink immediately upon receipt of the license. No license is valid until it has been so signed by the licensee.

**Sec. 23.** RCW 46.20.181 and 1999 c 308 s 3 are each amended to read as follows:

(1) Except as provided in subsection (4) or (5) of this section, every driver's license expires on the ~~((fifth))~~ sixth anniversary of the licensee's birthdate following the issuance of the license.

(2) A person may renew his or her license on or before the expiration date by submitting an application as prescribed by the department and paying a fee of ~~((twenty-five))~~ forty-five dollars from October 1, 2012, to June 30, 2013, and fifty-four dollars after June 30, 2013. This fee includes the fee for the required photograph.

(3) A person renewing his or her driver's license more than sixty days after the license has expired shall pay a penalty fee of ten dollars in addition to the renewal fee, unless his or her license expired when:

(a) The person was outside the state and he or she renews the license within sixty days after returning to this state; or

(b) The person was incapacitated and he or she renews the license within sixty days after the termination of the incapacity.

(4) ~~((During the period from July 1, 2000, to July 1, 2006,))~~ The department may issue or renew a driver's license for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or may extend by mail or electronic commerce a license that has already been issued, in order to evenly distribute, as nearly as possible, the yearly renewal rate of licensed drivers. The fee for a driver's license issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, or that has been extended by mail or electronic commerce, is ~~((five))~~ nine dollars for each year that the license is issued, renewed, or extended. The department may adopt any rules as are necessary to carry out this subsection.

(5) A driver's license that includes a hazardous materials endorsement under chapter 46.25 RCW may expire on an anniversary of the licensee's birthdate other than the sixth year following issuance or renewal of the license in order to match, as nearly as possible, the validity of certification from the federal transportation security administration that the licensee has been determined not to pose a security risk. The fee for a driver's license issued or renewed for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, is nine dollars for each year that the license is issued or renewed, not including any endorsement fees. The department may adjust the expiration date of a driver's license that has previously been issued to conform to the provisions of this subsection if a hazardous materials endorsement is added to the license subsequent to its issuance. If the validity of the driver's license is extended, the licensee must pay a fee of nine dollars for each year that the license is extended.

(6) The department may adopt any rules as are necessary to carry out this section.

**Sec. 24.** RCW 46.20.200 and 2002 c 352 s 14 are each amended to read as follows:

(1) If an instruction permit, identicard, or a driver's license is lost or destroyed, the person to whom it was issued may obtain a duplicate of it upon furnishing proof of such fact satisfactory to the department and payment of a fee of ~~((fifteen))~~ twenty dollars to the department.

(2) A replacement permit, identicard, or driver's license may be obtained to change or correct material information upon payment of a fee of ten dollars and surrender of the permit, identicard, or driver's license being replaced.

**Sec. 25.** RCW 46.20.049 and 2011 c 227 s 6 are each amended to read as follows:

There shall be an additional fee for issuing any class of commercial driver's license in addition to the prescribed fee required for the issuance of the original driver's license. The additional fee for each class shall be ~~((sixty one))~~ eighty-five dollars from October 1, 2012, to June 30, 2013, and one hundred two dollars after June 30, 2013, for the original commercial driver's license or subsequent renewals. If the commercial driver's license is issued, renewed, or extended for a period other than five years from October 1, 2012, to June 30, 2013, or six years after June 30, 2013, the fee for each class shall be ~~((twelve))~~ seventeen dollars ~~((and twenty cents))~~ for each year that the commercial driver's license is issued, renewed, or extended. The fee shall be deposited in the highway safety fund.

**Sec. 26.** RCW 46.20.308 and 2008 c 282 s 2 are each amended to read as follows:

(1) Any person who operates a motor vehicle within this state is deemed to have given consent, subject to the provisions of RCW 46.61.506, to a test or tests of his or her breath or blood for the

purpose of determining the alcohol concentration or presence of any drug in his or her breath or blood if arrested for any offense where, at the time of the arrest, the arresting officer has reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle while under the influence of intoxicating liquor or any drug or was in violation of RCW 46.61.503. Neither consent nor this section precludes a police officer from obtaining a search warrant for a person's breath or blood.

(2) The test or tests of breath shall be administered at the direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or the person to have been driving or in actual physical control of a motor vehicle while having alcohol in a concentration in violation of RCW 46.61.503 in his or her system and being under the age of twenty-one. However, in those instances where the person is incapable due to physical injury, physical incapacity, or other physical limitation, of providing a breath sample or where the person is being treated in a hospital, clinic, doctor's office, emergency medical vehicle, ambulance, or other similar facility or where the officer has reasonable grounds to believe that the person is under the influence of a drug, a blood test shall be administered by a qualified person as provided in RCW 46.61.506(5). The officer shall inform the person of his or her right to refuse the breath or blood test, and of his or her right to have additional tests administered by any qualified person of his or her choosing as provided in RCW 46.61.506. The officer shall warn the driver, in substantially the following language, that:

(a) If the driver refuses to take the test, the driver's license, permit, or privilege to drive will be revoked or denied for at least one year; and

(b) If the driver refuses to take the test, the driver's refusal to take the test may be used in a criminal trial; and

(c) If the driver submits to the test and the test is administered, the driver's license, permit, or privilege to drive will be suspended, revoked, or denied for at least ninety days if the driver is age twenty-one or over and the test indicates the alcohol concentration of the driver's breath or blood is 0.08 or more, or if the driver is under age twenty-one and the test indicates the alcohol concentration of the driver's breath or blood is 0.02 or more, or if the driver is under age twenty-one and the driver is in violation of RCW 46.61.502 or 46.61.504; and

(d) If the driver's license, permit, or privilege to drive is suspended, revoked, or denied the driver may be eligible to immediately apply for an ignition interlock driver's license.

(3) Except as provided in this section, the test administered shall be of the breath only. If an individual is unconscious or is under arrest for the crime of vehicular homicide as provided in RCW 46.61.520 or vehicular assault as provided in RCW 46.61.522, or if an individual is under arrest for the crime of driving while under the influence of intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest results from an accident in which there has been serious bodily injury to another person, a breath or blood test may be administered without the consent of the individual so arrested.

(4) Any person who is dead, unconscious, or who is otherwise in a condition rendering him or her incapable of refusal, shall be deemed not to have withdrawn the consent provided by subsection (1) of this section and the test or tests may be administered, subject to the provisions of RCW 46.61.506, and the person shall be deemed to have received the warnings required under subsection (2) of this section.

(5) If, following his or her arrest and receipt of warnings under subsection (2) of this section, the person arrested refuses upon the request of a law enforcement officer to submit to a test or tests of his or her breath or blood, no test shall be given except as authorized under subsection (3) or (4) of this section.

(6) If, after arrest and after the other applicable conditions and requirements of this section have been satisfied, a test or tests of the person's blood or breath is administered and the test results indicate that the alcohol concentration of the person's breath or blood is 0.08 or more if the person is age twenty-one or over, or 0.02 or more if the person is under the age of twenty-one, or the person refuses to submit to a test, the arresting officer or other law enforcement officer at whose direction any test has been given, or the department, where applicable, if the arrest results in a test of the person's blood, shall:

(a) Serve notice in writing on the person on behalf of the department of its intention to suspend, revoke, or deny the person's license, permit, or privilege to drive as required by subsection (7) of this section;

(b) Serve notice in writing on the person on behalf of the department of his or her right to a hearing, specifying the steps he or she must take to obtain a hearing as provided by subsection (8) of this section and that the person waives the right to a hearing if he or she receives an ignition interlock driver's license;

(c) Mark the person's Washington state driver's license or permit to drive, if any, in a manner authorized by the department;

(d) Serve notice in writing that the marked license or permit, if any, is a temporary license that is valid for sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or until the suspension, revocation, or denial of the person's license, permit, or privilege to drive is sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first. No temporary license is valid to any greater degree than the license or permit that it replaces; and

(e) Immediately notify the department of the arrest and transmit to the department within seventy-two hours, except as delayed as the result of a blood test, a sworn report or report under a declaration authorized by RCW 9A.72.085 that states:

(i) That the officer had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or was under the age of twenty-one years and had been driving or was in actual physical control of a motor vehicle while having an alcohol concentration in violation of RCW 46.61.503;

(ii) That after receipt of the warnings required by subsection (2) of this section the person refused to submit to a test of his or her blood or breath, or a test was administered and the results indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person is age twenty-one or over, or was 0.02 or more if the person is under the age of twenty-one; and

(iii) Any other information that the director may require by rule.

(7) The department of licensing, upon the receipt of a sworn report or report under a declaration authorized by RCW 9A.72.085 under subsection (6)(e) of this section, shall suspend, revoke, or deny the person's license, permit, or privilege to drive or any nonresident operating privilege, as provided in RCW 46.20.3101, such suspension, revocation, or denial to be effective beginning sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or when sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first.

(8) A person receiving notification under subsection (6)(b) of this section may, within twenty days after the notice has been given, request in writing a formal hearing before the department. The person shall pay a fee of ~~((two))~~ three hundred seventy-five dollars as part of the request. If the request is mailed, it must be postmarked within twenty days after receipt of the notification. Upon timely receipt of such a request for a formal hearing, including receipt of the required ~~((two))~~ three hundred seventy-five dollar fee, the department shall afford the person an opportunity for a hearing. The department may waive the required ~~((two))~~ three hundred seventy-five dollar fee if the

person is an indigent as defined in RCW 10.101.010. Except as otherwise provided in this section, the hearing is subject to and shall be scheduled and conducted in accordance with RCW 46.20.329 and 46.20.332. The hearing shall be conducted in the county of the arrest, except that all or part of the hearing may, at the discretion of the department, be conducted by telephone or other electronic means. The hearing shall be held within sixty days following the arrest or following the date notice has been given in the event notice is given by the department following a blood test, unless otherwise agreed to by the department and the person, in which case the action by the department shall be stayed, and any valid temporary license marked under subsection (6)(c) of this section extended, if the person is otherwise eligible for licensing. For the purposes of this section, the scope of the hearing shall cover the issues of whether a law enforcement officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more if the person was under the age of twenty-one, whether the person was placed under arrest, and (a) whether the person refused to submit to the test or tests upon request of the officer after having been informed that such refusal would result in the revocation of the person's license, permit, or privilege to drive, or (b) if a test or tests were administered, whether the applicable requirements of this section were satisfied before the administration of the test or tests, whether the person submitted to the test or tests, or whether a test was administered without express consent as permitted under this section, and whether the test or tests indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person was age twenty-one or over at the time of the arrest, or 0.02 or more if the person was under the age of twenty-one at the time of the arrest. The sworn report or report under a declaration authorized by RCW 9A.72.085 submitted by a law enforcement officer is prima facie evidence that the officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or the person had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more and was under the age of twenty-one and that the officer complied with the requirements of this section.

A hearing officer shall conduct the hearing, may issue subpoenas for the attendance of witnesses and the production of documents, and shall administer oaths to witnesses. The hearing officer shall not issue a subpoena for the attendance of a witness at the request of the person unless the request is accompanied by the fee required by RCW 5.56.010 for a witness in district court. The sworn report or report under a declaration authorized by RCW 9A.72.085 of the law enforcement officer and any other evidence accompanying the report shall be admissible without further evidentiary foundation and the certifications authorized by the criminal rules for courts of limited jurisdiction shall be admissible without further evidentiary foundation. The person may be represented by counsel, may question witnesses, may present evidence, and may testify. The department shall order that the suspension, revocation, or denial either be rescinded or sustained.

(9) If the suspension, revocation, or denial is sustained after such a hearing, the person whose license, privilege, or permit is suspended, revoked, or denied has the right to file a petition in the superior court of the county of arrest to review the final order of revocation by the department in the same manner as an appeal from a decision of a court of limited jurisdiction. Notice of appeal must be filed within thirty days after the date the final order is served or the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ 1.1, or other statutes or rules referencing de novo review, the appeal shall be

limited to a review of the record of the administrative hearing. The appellant must pay the costs associated with obtaining the record of the hearing before the hearing officer. The filing of the appeal does not stay the effective date of the suspension, revocation, or denial. A petition filed under this subsection must include the petitioner's grounds for requesting review. Upon granting petitioner's request for review, the court shall review the department's final order of suspension, revocation, or denial as expeditiously as possible. The review must be limited to a determination of whether the department has committed any errors of law. The superior court shall accept those factual determinations supported by substantial evidence in the record: (a) That were expressly made by the department; or (b) that may reasonably be inferred from the final order of the department. The superior court may reverse, affirm, or modify the decision of the department or remand the case back to the department for further proceedings. The decision of the superior court must be in writing and filed in the clerk's office with the other papers in the case. The court shall state the reasons for the decision. If judicial relief is sought for a stay or other temporary remedy from the department's action, the court shall not grant such relief unless the court finds that the appellant is likely to prevail in the appeal and that without a stay the appellant will suffer irreparable injury. If the court stays the suspension, revocation, or denial it may impose conditions on such stay.

(10)(a) If a person whose driver's license, permit, or privilege to drive has been or will be suspended, revoked, or denied under subsection (7) of this section, other than as a result of a breath or blood test refusal, and who has not committed an offense for which he or she was granted a deferred prosecution under chapter 10.05 RCW, petitions a court for a deferred prosecution on criminal charges arising out of the arrest for which action has been or will be taken under subsection (7) of this section, or notifies the department of licensing of the intent to seek such a deferred prosecution, then the license suspension or revocation shall be stayed pending entry of the deferred prosecution. The stay shall not be longer than one hundred fifty days after the date charges are filed, or two years after the date of the arrest, whichever time period is shorter. If the court stays the suspension, revocation, or denial, it may impose conditions on such stay. If the person is otherwise eligible for licensing, the department shall issue a temporary license, or extend any valid temporary license marked under subsection (6) of this section, for the period of the stay. If a deferred prosecution treatment plan is not recommended in the report made under RCW 10.05.050, or if treatment is rejected by the court, or if the person declines to accept an offered treatment plan, or if the person violates any condition imposed by the court, then the court shall immediately direct the department to cancel the stay and any temporary marked license or extension of a temporary license issued under this subsection.

(b) A suspension, revocation, or denial imposed under this section, other than as a result of a breath or blood test refusal, shall be stayed if the person is accepted for deferred prosecution as provided in chapter 10.05 RCW for the incident upon which the suspension, revocation, or denial is based. If the deferred prosecution is terminated, the stay shall be lifted and the suspension, revocation, or denial reinstated. If the deferred prosecution is completed, the stay shall be lifted and the suspension, revocation, or denial canceled.

(c) The provisions of (b) of this subsection relating to a stay of a suspension, revocation, or denial and the cancellation of any suspension, revocation, or denial do not apply to the suspension, revocation, denial, or disqualification of a person's commercial driver's license or privilege to operate a commercial motor vehicle.

(11) When it has been finally determined under the procedures of this section that a nonresident's privilege to operate a motor vehicle in this state has been suspended, revoked, or denied, the department shall give information in writing of the action taken to the motor

vehicle administrator of the state of the person's residence and of any state in which he or she has a license.

**Sec. 27.** RCW 46.20.505 and 2007 c 97 s 1 are each amended to read as follows:

Every person applying for a special endorsement of a driver's license authorizing such person to drive a two or three-wheeled motorcycle or a motor-driven cycle shall pay a fee of five dollars, which is not refundable. In addition, the endorsement fee for the initial motorcycle endorsement shall not exceed ~~((ten))~~ twelve dollars ~~((and))~~, unless the endorsement is issued for a period other than six years, in which case the endorsement fee shall not exceed two dollars for each year the initial motorcycle endorsement is issued. The subsequent renewal endorsement fee shall not exceed ~~((twenty-five))~~ thirty dollars, unless the endorsement is renewed or extended for a period other than ~~((five))~~ six years, in which case the subsequent renewal endorsement fee shall not exceed five dollars for each year that the endorsement is renewed or extended. Fees collected under this section shall be deposited in the motorcycle safety education account of the highway safety fund.

**NEW SECTION. Sec. 28.** Sections 5 through 13 of this act take effect October 1, 2012."

**Engrossed Substitute Senate Bill No. 6150** - CONF REPT  
By Conference Committee

On page 1, line 3 of the title, after "system;" strike the remainder of the title and insert "amending RCW 46.20.037, 46.20.055, 46.20.117, 46.20.120, 46.20.161, 46.20.181, 46.20.200, 46.20.049, 46.20.308, and 46.20.505; adding a new section to chapter 46.20 RCW; adding a new section to chapter 46.04 RCW; repealing RCW 46.20.038; providing an effective date; and providing an expiration date."

and that the bill do pass as recommended by the Conference Committee:

Senators Hougen, King and Eide  
Representatives Clibborn, Armstrong and Liias

There being no objection, the House adopted the conference committee report on ENGROSSED SUBSTITUTE SENATE BILL NO. 6150 and advanced the bill, as recommended by the conference committee to final passage.

#### **FINAL PASSAGE OF HOUSE BILL AS RECOMMENDED BY CONFERENCE COMMITTEE**

Representatives Clibborn spoke in favor of the passage of the bill as recommended by the conference committee.

Representatives Hargrove and Armstrong spoke against the passage of the bill as recommended by the conference committee.

The Speaker (Representative Moeller presiding) stated the question before the House to be final passage of Engrossed Substitute Senate Bill No. 6150, as recommended by the conference committee.

#### **ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6150, as recommended by the conference committee, and the bill passed the House by the following vote: Yeas, 51; Nays, 47; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon,

Goodman, Green, Haigh, Hansen, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Fagan, Haler, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hurst, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6150, as recommended by the conference committee, having received the necessary constitutional majority, was declared passed.

### CONFERENCE COMMITTEE REPORT

March 7, 2012

Engrossed Substitute Senate Bill No. 6455

Includes "New Item": YES

Mr. Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SUBSTITUTE SENATE BILL NO. 6455, concerning transportation revenue, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment be adopted

and that the bill do pass as recommended by the Conference Committee:

Strike everything after the enacting clause and insert the following:

"**Sec. 29.** RCW 46.17.100 and 2010 c 161 s 508 are each amended to read as follows:

Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a ~~((five))~~ fifteen dollar application fee in addition to any other fees and taxes required by law.

(1) Five dollars of the certificate of title application fee must be distributed under RCW 46.68.020.

(2) Ten dollars of the certificate of title application fee must be credited to the transportation 2003 account (nickel account) created in RCW 46.68.280.

**Sec. 30.** RCW 46.17.140 and 2010 c 161 s 512 are each amended to read as follows:

The penalty for a late transfer under RCW 46.12.650(7) is ~~((twenty-five))~~ fifty dollars assessed on the sixteenth day after the date of delivery and two dollars for each additional day thereafter, but the total penalty must not exceed one hundred twenty-five dollars. The penalty must be distributed under RCW 46.68.020.

**Sec. 31.** RCW 46.17.200 and 2011 c 171 s 56 are each amended to read as follows:

(1) In addition to all other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge:

(a) The following license plate fees for each license plate, unless the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
<u>Original issue</u>	<u>\$ 10.00</u>	<u>RCW 46.68.070</u>
Reflectivity	\$ 2.00	RCW 46.68.070
Replacement	\$ 10.00	RCW 46.68.070
<u>Original issue, motorcycle</u>	<u>\$ 4.00</u>	<u>RCW 46.68.070</u>
Replacement, motorcycle	<del>((2.00))</del> <u>\$ 4.00</u>	RCW 46.68.070
Original issue, moped	\$ 1.50	RCW 46.68.070

(b) A license plate retention fee, as required under RCW 46.16A.200(10)~~((a)(iii))~~ (c), of twenty dollars if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from payment. The twenty dollar fee must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) A ten dollar license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ten dollar license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a five dollar license plate fee, in addition to any other fee required by law.

(2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to five dollars per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

**Sec. 32.** RCW 46.17.375 and 2010 c 161 s 534 are each amended to read as follows:

(1) Before accepting an application for registration for a recreational vehicle, the department, county auditor or other agent, or subagent appointed by the director ~~((shall))~~ must require an applicant to pay ~~((a three))~~ an eight dollar fee in addition to any other fees and taxes required by law. The state parks support and recreational vehicle sanitary disposal fee must be ~~((deposited in the RV account created))~~ distributed as provided in RCW 46.68.170.

(2) For the purposes of this section, "recreational vehicle" means a camper, motor home, or travel trailer.

**Sec. 33.** RCW 46.68.170 and 2011 c 367 s 715 are each amended to read as follows:

~~((There is))~~ The director shall forward all proceeds from the state parks support and recreational vehicle sanitary disposal fee imposed under RCW 46.17.375 to the state treasurer to be distributed to the following accounts:

(1) Three dollars to the RV account hereby created in the motor vehicle fund the RV account. All moneys hereafter deposited in ~~((said))~~ the account ~~((shall))~~ must be used by the department of transportation for the construction, maintenance, and operation of recreational vehicle sanitary disposal systems at safety rest areas in accordance with the department's highway system plan as prescribed in chapter 47.06 RCW. During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may transfer from the RV account to the motor vehicle fund such amounts as reflect the excess fund balance of the

RV account to accomplish the purposes identified in this section; and  
 (2) Five dollars to the state parks renewal and stewardship account established in RCW 79A.05.215.

**Sec. 34.** RCW 79A.05.215 and 2011 c 320 s 22 are each amended to read as follows:

The state parks renewal and stewardship account is created in the state treasury. Except as otherwise provided in this chapter, all receipts from user fees, concessions, leases, donations collected under RCW 46.16A.090(3), and other state park-based activities ~~((shall))~~ must be deposited into the account. In addition, five dollars of the fee established in RCW 46.17.375 must be deposited into the account as provided in RCW 46.68.170(2) and may be used by the commission only for the operation and maintenance of state parks that provide access and overnight accommodations to recreational vehicles. The proceeds from the recreation access pass account created in RCW 79A.80.090 must be used for the purpose of operating and maintaining state parks. Except as provided otherwise in this section, expenditures from the account may be used for operating state parks, developing and renovating park facilities, undertaking deferred maintenance, enhancing park stewardship, and other state park purposes. Expenditures from the account may be made only after appropriation by the legislature.

**Sec. 35.** RCW 46.20.293 and 2007 c 424 s 1 are each amended to read as follows:

The department is authorized to provide juvenile courts with the department's record of traffic charges compiled under RCW 46.52.101 and 13.50.200, against any minor upon the request of any state juvenile court or duly authorized officer of any juvenile court of this state. Further, the department is authorized to provide any juvenile court with any requested service which the department can reasonably perform which is not inconsistent with its legal authority which substantially aids juvenile courts in handling traffic cases and which promotes highway safety.

The department is authorized to furnish to the parent, parents, or guardian of any person under eighteen years of age who is not emancipated from such parent, parents, or guardian, the department records of traffic charges compiled against the person and shall collect for the copy a fee of ~~((ten))~~ thirteen dollars, fifty percent of which must be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

**Sec. 36.** RCW 46.29.050 and 2010 c 8 s 9028 are each amended to read as follows:

(1) The department shall upon request furnish any person or his or her attorney a certified abstract of his or her driving record, which abstract shall include enumeration of any motor vehicle accidents in which such person has been involved. Such abstract shall (a) indicate the total number of vehicles involved, whether the vehicles were legally parked or moving, and whether the vehicles were occupied at the time of the accident; and (b) contain reference to any convictions of the person for violation of the motor vehicle laws as reported to the department, reference to any findings that the person has committed a traffic infraction which have been reported to the department, and a record of any vehicles registered in the name of the person. The department shall collect for each abstract the sum of ~~((ten))~~ thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

(2) The department shall upon request furnish any person who may have been injured in person or property by any motor vehicle, with an abstract of all information of record in the department pertaining to the evidence of the ability of any driver or owner of any motor vehicle to respond in damages. The department shall collect for each abstract the sum of ~~((ten))~~ thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

**Sec. 37.** RCW 46.52.130 and 2010 c 253 s 1 are each amended to read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

(i) The total number of vehicles involved;

(ii) Whether the vehicles were legally parked or moving;

(iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(ii) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employee or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(iii) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for

purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

(v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **City attorneys and county prosecuting attorneys.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.

(i) **Superintendent of public instruction.** An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(3) **Release to third parties prohibited.** Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(4) **Fee.** The director shall collect a ~~((ten))~~ thirteen dollar fee for each abstract of a person's driving record furnished by the department. Fifty percent of the fee must be deposited in the highway safety fund, and fifty percent of the fee must be deposited according to RCW 46.68.038.

(5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

**Sec. 38.** RCW 46.70.061 and 2002 c 352 s 23 are each amended to read as follows:

(1) The annual fees for original licenses issued for twelve consecutive months from the date of issuance under this chapter shall be:

(a) Vehicle dealers, principal place of business for each and every license classification: ~~((Seven))~~ Nine hundred ~~((fifty))~~ seventy-five dollars;

(b) Vehicle dealers, each subagency, and temporary subagency: One hundred dollars;

(c) Vehicle manufacturers: Five hundred dollars.

(2) The annual fee for renewal of any license issued pursuant to this chapter shall be:

(a) Vehicle dealers, principal place of business for each and every license classification: ~~((Two))~~ Three hundred ~~((fifty))~~ twenty-five dollars;

(b) Vehicle dealer, each and every subagency: Twenty-five dollars;

(c) Vehicle manufacturers: Two hundred fifty dollars.

If any licensee fails or neglects to apply for such renewal within thirty days after the expiration of the license, or assigned renewal date under a staggered licensing system, the license shall be declared canceled by the director, in which case the licensee will be required to apply for an original license and pay the fee required for the original license.

(3) The fee for the transfer to another location of any license classification issued pursuant to this chapter shall be twenty-five dollars.

(4) The fee for vehicle dealer license plates and manufacturer license plates shall be the amount required by law for vehicle license plates exclusive of excise tax and gross weight and tonnage fees.

(5) All fees collected under this chapter shall be deposited in the state treasury and credited to the motor vehicle fund.

(6) The fees prescribed in this section are in addition to any excise taxes imposed by chapter 82.44 RCW.

**Sec. 39.** RCW 46.70.180 and 2010 c 161 s 1136 are each amended to read as follows:

Each of the following acts or practices is unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2)(a)(i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(ii) However, an amount not to exceed ~~((the applicable amount provided in (iii)(A) and (B) of this subsection (2)(a))~~ one hundred fifty dollars per vehicle sale or lease may be charged by a dealer to recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

((iii) A dealer may charge under (a)(ii) of this subsection:

(A) As of July 26, 2009, through June 30, 2014, an amount not to exceed one hundred fifty dollars; and

(B) As of July 1, 2014, an amount not to exceed fifty dollars.)

(b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:

(i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;

(ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and that

is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required by the state to be paid by either the dealer or prospective purchaser or lessee;

(iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and

(iv) Dealers disclose in any advertisement that a documentary service fee in an amount ~~((provided in (iv)(A) and (B) of this subsection (2)(b))~~ up to one hundred fifty dollars may be added to the sale price or the capitalized cost ~~((~~ (A) As of July 26, 2009, through June 30, 2014, an amount up to one hundred fifty dollars; and ~~))~~ (B) As of July 1, 2014, an amount up to fifty dollars)).

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:

(a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within four calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to acceptance or performance, including, but not limited to, financing, assignment, or lease approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the contract or lease, as long as such voiding does not negate commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing company discovers that approval of the contract or financing or approval of the lease was based upon material misrepresentations made by the buyer or lessee, including, but not limited to, misrepresentations regarding income, employment, or debt of the buyer or lessee, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation. A dealer shall not be in violation of this subsection (4)(a) if the buyer or lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her staff, has not, with knowledge of the material

misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation.

When a dealer informs a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by an electronic mail message, the dealer must also transmit the communication by any additional means;

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:

(i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or

(ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or

(iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of five hundred miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.

(6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:

(a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;

(b) The dealer has satisfied the lien; and

(c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.

(9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent

to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals his or her customary total customer deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

(10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.

(11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.

(12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:

(a) Receiving or paying any purchase moneys or funds into or out of any account controlled or used by any buyer's agent;

(b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or

(c) Signing any other documentation relating to the purchase, sale, lease, or transfer of any new motor vehicle.

It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

(13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.

(14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.93 RCW, to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement,

exposition, persuasion, urging, or argument are not deemed to constitute coercion;

(b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;

(f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

(16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.

(17)(a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts,

or one thousand dollars, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.

(b) A manufacturer is required to provide the same disclosure to a dealer of any known damage or repair as required in (a) of this subsection.

(c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged and repaired before completion of the sale.

(d) As used in this section:

(i) "Cosmetic parts" means parts that are attached by and can be replaced in total through the use of screws, bolts, or other fasteners without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.

(ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.

**NEW SECTION. Sec. 40.** A new section is added to chapter 46.68 RCW to read as follows:

The public transportation grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for grants to aid transit authorities with operations.

**NEW SECTION. Sec. 41.** A new section is added to chapter 46.17 RCW to read as follows:

(1) Before accepting an application for an annual vehicle registration renewal for an electric vehicle that uses propulsion units powered solely by electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a one hundred dollar fee in addition to any other fees and taxes required by law. The one hundred dollar fee is due only at the time of annual registration renewal.

(2) This section only applies to:

(a) A vehicle that is designed to have the capability to drive at a speed of more than thirty-five miles per hour; and

(b) An annual vehicle registration renewal that is due on or after February 1, 2013.

(3)(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.

(b) If in any year the amount of proceeds from the fee collected under this section exceeds one million dollars, the excess amount over one million dollars must be deposited as follows:

(i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;

(ii) Fifteen percent to the transportation improvement account created in RCW 47.26.084; and

(iii) Fifteen percent to the rural arterial trust account created in RCW 36.79.020.

**NEW SECTION. Sec. 42.** Section 13 of this act expires on the effective date of legislation enacted by the legislature that imposes a vehicle miles traveled fee or tax.

**NEW SECTION. Sec. 43.** The department of licensing must provide written notice of the expiration date of section 13 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

**Sec. 44.** RCW 46.10.420 and 2010 c 161 s 231 are each amended to read as follows:

(1) Each dealer of snowmobiles in this state shall obtain a snowmobile dealer license from the department in a manner prescribed by the department. Upon receipt of an application for a snowmobile dealer's license and the fee provided in subsection (2) of this section, the dealer is licensed and a snowmobile dealer license number must be assigned.

(2) The annual license fee for a snowmobile dealer is twenty-five dollars, which covers all of the snowmobiles offered by a dealer for sale and not rented on a regular, commercial basis. Snowmobiles rented on a regular commercial basis by a snowmobile dealer must be registered separately under RCW 46.10.310, 46.10.400, 46.10.430, and 46.10.440.

(3) Upon the issuance of a snowmobile dealer license, a snowmobile dealer may purchase, at a cost to be determined by the department, snowmobile dealer license plates of a size and color to be determined by the department. The snowmobile dealer license plates must contain the snowmobile license number assigned to the dealer. Each snowmobile operated by a dealer, dealer representative, or prospective customer for the purposes of demonstration or testing shall display snowmobile dealer license plates in a clearly visible manner.

(4) Only a dealer, dealer representative, or prospective customer may display a snowmobile dealer plate, and only a dealer, dealer representative, or prospective customer may use a snowmobile dealer's license plate for the purposes described in subsection (3) of this section.

(5) Snowmobile dealer licenses are nontransferable.

(6) It is unlawful for any snowmobile dealer to sell a snowmobile at wholesale or retail, or to test or demonstrate any snowmobile, within the state, unless the dealer has a snowmobile dealer license as required under this section.

(7) When a snowmobile is sold by a snowmobile dealer, the dealer:

(a) Shall apply for licensing in the purchaser's name (~~within fifteen days following the sale~~) as provided by rules adopted by the department; and

(b) May issue a temporary license as provided by rules adopted by the department.

**Sec. 45.** RCW 46.12.675 and 2010 c 161 s 316 are each amended to read as follows:

(1) A security interest in a vehicle other than one held as inventory by a manufacturer or a dealer and for which a certificate of title is required is perfected only by:

(a) Complying with the requirements of RCW 46.12.660 or this section;

(b) Receipt by the department, county auditor or other agent, or subagent appointed by the director of:

(i) The existing certificate of title, if any;

(ii) An application for a certificate of title containing the name and address of the secured party; and

(iii) Payment of the required fees.

(2) A security interest is perfected when it is created if the secured party's name and address appear on the most recently issued certificate of title or, if not, it is created when the department, county auditor or other agent, or subagent appointed by the director receives the certificate of title or an application for a certificate of title and the fees required in subsection (1) of this section.

(3) If a vehicle is subject to a security interest when brought into this state, perfection of the security interest is determined by the law

of the jurisdiction where the vehicle was when the security interest was attached, subject to the following:

(a) The security interest continues perfected in this state if the name of the secured party is shown on the existing certificate of title issued by that jurisdiction. The name of the secured party must be shown on the certificate of title issued for the vehicle by this state. The security interest continues perfected in this state when the department issues the certificate of title.

(b) If the security interest was not perfected under the law of the jurisdiction where the vehicle was when the security interest was attached, it may be perfected in this state. Perfection begins when the department receives the information and fees required in subsection (1) of this section.

(4)(a) After a certificate of title has been issued, the registered owner or secured party must apply to the department, county auditor or other agent, or subagent appointed by the director for a new certificate of title when a security interest is granted on a vehicle. Within ten days after creating a security agreement, the registered owner or secured party must submit:

(i) An application for a certificate of title;

(ii) The certificate of title last issued for the vehicle, or other documentation required by the department; and

(iii) The fee required in RCW 46.17.100.

(b) If satisfied that a certificate of title should be reissued, the department shall change the vehicle record and issue a new certificate of title to the secured party.

(5) A secured party shall release the security interest when the conditions within the security agreement have been met and there is no further secured obligation. The secured party must either:

(a) Assign the certificate of title to the registered owner or the registered owner's designee and send the certificate of title to the department, county auditor or other agent, or subagent appointed by the director with the fee required in RCW 46.17.100; or

(b) Assign the certificate of title to the person acquiring the vehicle from the registered owner with the registered owner's release of interest.

(6) The department shall issue a new certificate of title to the registered owner when the department receives the release of interest and required fees as provided in subsection (5)(a) of this section.

(7) A secured party is liable for one hundred dollars payable to the registered owner or person acquiring the vehicle from the registered owner when:

(a) The secured party fails to either assign the certificate of title to the registered owner or to the person acquiring the vehicle from the registered owner or apply for a new certificate of title within ten days after proper demand; and

(b) The failure of the secured party to act as described in (a) of this subsection results in a loss to the registered owner or person acquiring the vehicle from the registered owner.

**Sec. 46.** RCW 46.16A.320 and 2010 c 161 s 425 are each amended to read as follows:

(1)(a) A vehicle owner may operate an unregistered vehicle on public highways under the authority of a trip permit issued by this state. For purposes of trip permits, a vehicle is considered unregistered if:

(i) Under reciprocal relations with another jurisdiction, the owner would be required to register the vehicle in this state;

(ii) Not registered when registration is required under this chapter;

(iii) The license tabs have expired; or

~~((iii))~~ (iv) The current gross weight license is insufficient for the load being carried. The licensed gross weight may not exceed eighty thousand pounds for a combination of vehicles or forty thousand pounds for a single unit vehicle with three or more axles.

(b) Trip permits are required to move mobile homes or park model trailers and may only be issued if property taxes are paid in full.

(2) Trip permits may not be:

(a) Issued to vehicles registered under RCW 46.16A.455(5) in lieu of further registration within the same registration year; or

(b) Used for commercial motor vehicles owned by a motor carrier subject to RCW 46.32.080 if the motor carrier's department of transportation number has been placed out of service by the Washington state patrol. A violation of or a failure to comply with this subsection is a gross misdemeanor, subject to a minimum monetary penalty of two thousand five hundred dollars for the first violation and five thousand dollars for each subsequent violation.

(3)(a) Each trip permit authorizes the operation of a single vehicle at the maximum legal weight limit for the vehicle for a period of three consecutive days beginning with the day of first use. No more than three trip permits may be used for any one vehicle in any thirty consecutive day period. No more than two trip permits may be used for any one recreational vehicle, as defined in RCW 43.22.335, in a one-year period. Every trip permit must:

(i) Identify the vehicle for which it is issued;

(ii) Be completed in its entirety;

(iii) Be signed by the operator before operation of the vehicle on the public highways of this state;

(iv) Not be altered or corrected. Altering or correcting data on the trip permit invalidates the trip permit; and

(v) Be displayed on the vehicle for which it is issued as required by the department.

(b) Vehicles operating under the authority of trip permits are subject to all laws, rules, and regulations affecting the operation of similar vehicles in this state.

(4) Prorate operators operating commercial vehicles on trip permits in Washington shall retain the customer copy of each permit for four years.

(5) Trip permits may be obtained from field offices of the department of transportation, department of licensing, county auditors or other agents, and subagents appointed by the department for the fee provided in RCW 46.17.400(1)(h). Exchanges, credits, or refunds may not be given for trip permits after they have been purchased.

(6) Except as provided in subsection (2)(b) of this section, a violation of or a failure to comply with this section is a gross misdemeanor.

(7) The department may adopt rules necessary to administer this section.

**Sec. 47.** RCW 88.02.640 and 2011 c 326 s 5, 2011 c 171 s 134, and 2011 c 169 s 1 are each reenacted and amended to read as follows:

(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

FEE	AMOUNT	AUTHORITY	DISTRIBUTION
(a) Dealer temporary permit	\$5.00	RCW 88.02.800(2)	General fund
(b) Derelict vessel and invasive species removal	Subsection (3) of this section	Subsection (3) of this section	Subsection (3) of this section
(c) Derelict vessel removal surcharge	\$1.00	Subsection (4) of this section	Subsection (4) of this section

(d) Duplicate certificate of title	\$1.25	RCW 88.02.530(1)(c)	General fund
(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund
<del>((f))</del> (f) Filing	RCW 46.17.005	RCW <del>((46.17.005))</del> 88.02.560(2)	RCW 46.68.400
<del>((g))</del> (g) License plate technology	RCW 46.17.015	RCW <del>((46.17.015))</del> 88.02.560(2)	RCW 46.68.370
<del>((h))</del> (h) License service	RCW 46.17.025	RCW <del>((46.17.025))</del> 88.02.560(2)	RCW 46.68.220
<del>((i))</del> (i) Nonresident vessel permit	\$25.00	RCW 88.02.620(3)	Subsection (5) of this section
<del>((j))</del> (j) Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this section
<del>((k))</del> (k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
<del>((l))</del> (l) Replacement decal	\$1.25	RCW 88.02.595(1)(c)	General fund
<del>((m))</del> (m) Title application	\$5.00	RCW 88.02.515	General fund
<del>((n))</del> (n) Transfer	\$1.00	RCW 88.02.560(7)	General fund
<del>((o))</del> (o) Vessel visitor permit	\$30.00	RCW 88.02.610(3)	Subsection (6) of this section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

(3)(a) The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:

(i) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;

(ii) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667;

(iii) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and

(iv) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.

(b) If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches one million dollars as of March 1st of any year, the collection of the two dollars of the derelict vessel and invasive species removal fee that is deposited into the derelict vessel removal account as authorized in (a)(iv) of this subsection must be suspended for the following fiscal year.

(4) Until January 1, 2014, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge:

(a) Is to address the significant backlog of derelict vessels accumulated in Washington state waters that pose a threat to the health and safety of the people and to the environment;

(b) Is to be used only for the removal of vessels that are less than seventy-five feet in length; and

(c) Must be deposited into the derelict vessel removal account created in RCW 79.100.100.

(5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.

(6) The thirty dollar vessel visitor permit fee must be distributed as follows:

(a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;

(b) The department may keep an amount to cover costs for providing the vessel visitor permit;

(c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and

(d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.

(7)(a) The fifty dollar quick title service fee must be distributed as follows:

(i) If the fee is paid to the director, the fee must be deposited to the general fund.

(ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.

(b) For the purposes of this subsection, "quick title" has the same meaning as in RCW 88.02.540.

**NEW SECTION. Sec. 48.** Section 4 of this act applies to vehicle registrations that are due or become due on or after October 1, 2012.

**NEW SECTION. Sec. 49.** Sections 1 through 15 of this act take effect October 1, 2012.

**NEW SECTION. Sec. 50.** Section 12 of this act expires July 1, 2015."

**Engrossed Substitute Senate Bill No. 6455** - CONF REPT  
By Conference Committee

On page 1, line 1 of the title, after "revenue;" strike the remainder of the title and insert "amending RCW 46.17.100, 46.17.140, 46.17.200, 46.17.375, 46.68.170, 79A.05.215, 46.20.293, 46.29.050, 46.52.130, 46.70.061, 46.70.180, 46.10.420, 46.12.675, and 46.16A.320; reenacting and amending RCW 88.02.640; adding a new section to chapter 46.68 RCW; adding a new section to chapter 46.17 RCW; creating new sections; providing an effective date; providing an expiration date; and providing a contingent expiration date."

and that the bill do pass as recommended by the Conference Committee.

Senators Haugen, Eide and King  
Representatives Clibborn, Liias and Armstrong

There being no objection, the House adopted the conference committee report on ENGROSSED SUBSTITUTE SENATE BILL NO. 6455 and advanced the bill, as recommended by the conference committee, to final passage.

**FINAL PASSAGE OF HOUSE BILL AS  
RECOMMENDED BY CONFERENCE COMMITTEE**

Representatives Liias spoke in favor of the passage of the bill, as recommended by the conference committee.

Representatives Armstrong spoke against the passage of the bill, as recommended by the conference committee.

The Speaker (Representative Moeller presiding) stated the question before the House to be final passage of Engrossed Substitute Senate Bill No. 6455, as recommended by the conference committee.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6455, as recommended by the conference committee, and the bill passed the House by the following votes: The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6455, and the bill passed the House by the following vote: Yeas, 55; Nays, 43; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6455, as recommended by the conference committee, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the sixth order of business.

**SECOND READING**

**ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6284, by Senate Committee on Transportation (originally sponsored by Senators Kline, Harper, Litzow, Kohl-Welles, Keiser and Hargrove)**

**Reforming Washington's approach to certain nonsafety civil traffic infractions by authorizing a civil collection process for unpaid traffic fines and removing the requirement for law enforcement intervention for the failure to appear and pay a traffic ticket.**

The bill was read the second time.

Representative Liias moved the adoption of amendment (1364).

On page 2, line 8, after "traffic infraction" insert ", failure to appear at a requested hearing, violation of a written promise to appear in court, or failure to comply with the terms of a notice of traffic infraction or citation,"

Representatives Liias and Armstrong spoke in favor of the adoption of the amendment.

Amendment (1364) 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 Clibborn and Armstrong spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 6284, as amended by the House.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6284, as amended by the House, and the bill passed the House by the following vote: Yeas: 56 Nays: 42 Absent: 0 Excused: 0

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Dahlquist, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Harris, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Roberts, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Warnick, Wylie, and Mr. Speaker

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dammeier, DeBolt, Fagan, Haler, Hargrove, Hinkle, Hope, Johnson, Kelley, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Reykdal, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Wilcox, and Zeiger

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6284, as amended by the House, having received the necessary constitutional majority, was declared passed.

### HOUSE BILL NO. 2139, by Representatives Cody and Hunter

#### Concerning the establishment of new regional support network boundaries.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2139 was substituted for House Bill No. 2139 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2139 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 Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2139.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2139, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

SUBSTITUTE HOUSE BILL NO. 2139, having received the necessary constitutional majority, was declared passed.

### THIRD READING

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2483 with the following amendment:

On page 13, line 15, after "submitted" insert "to the office of financial management"

On page 13, line 20, after "submitted" insert "to the office of financial management"

Beginning on page 13, line 32, strike all material through "council" on page 14, line 9 and insert "(The board shall review and evaluate the operating and capital budget requests from four-year institutions and the community and technical college system based on how the requests align with the board's budget priorities, the missions of the institutions, and the statewide strategic master plan for higher education under RCW 28B.76.200.

(4) The board shall submit recommendations on the proposed operating budget and priorities to the office of financial management by October 1st of each even-numbered year, and to the legislature by January 1st of each odd-numbered year.

(5)(a) The board's capital budget recommendations for the community and technical college system and the four-year institutions must be submitted to the office of financial management and to the legislature by November 15th of each even-numbered year.

(b)) (4)(a) The ((board)) office of financial management"

On page 14, at the beginning of line 21, strike all material through "council" and insert "((~~the~~)) (b) The ((~~board~~)) office of financial management"

On page 14, at the beginning of line 25, strike "(d)" and insert "((~~d~~)) (c)"

On page 14, at the beginning of line 36, strike "(6)" and insert "((~~6~~)) (5)"

Correct any internal references accordingly.

Beginning on page 14, line 38, after "to" strike all material through "to" on page 15, line 3 and insert "~~((the board at the same time they are submitted to the office of financial management. The board shall submit recommendations on the proposed supplemental budget requests to))~~"

On page 4, line 29, after "education" insert ". The representative appointed under this subsection (2)(c)(iii) shall excuse himself or herself from voting on matters relating primarily to institutions of higher education"

On page 3, line 33, after "composed of" strike "ten" and insert "nine"

On page 4, line 26, after "colleges;" insert "and"

On page 4, beginning on line 29, after "education" strike all material through "board" on line 34

and the same is herewith transmitted.

Thomas Hoeman, Secretary

### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendments to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2483 and advanced the bill as amended by the Senate to final passage.

### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Seaquist and Haler spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 2483, as amended by the Senate.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2483, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 72; Nays, 26; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Appleton, Asay, Bailey, Billig, Blake, Carlyle, Clibborn, Cody, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Rivers, Roberts, Ryu, Santos, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Uptegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Angel, Armstrong, Buys, Chandler, Condotta, Crouse, Fagan, Hargrove, Hurst, Johnson, Klippert, Kretz, Kristiansen, McCune, Orcutt, Overstreet, Parker, Pearson, Reykdal, Rodne, Ross, Schmick, Shea, Short and Taylor.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2483, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2536 with the following amendment:

Strike everything after the enacting clause and insert the following:

**NEW SECTION. Sec. 1.** (1) The legislature intends that prevention and intervention services delivered to children and juveniles in the areas of mental health, child welfare, and juvenile justice be primarily evidence-based and research-based, and it is anticipated that such services will be provided in a manner that is culturally competent.

(2) The legislature also acknowledges that baseline information is not presently available regarding the extent to which evidence-based and research-based practices are presently available and in use in the areas of children's mental health, child welfare, and juvenile justice; the cost of those practices; and the most effective strategies and appropriate time frames for expecting their broader use. Thus, it would be wise to establish baseline data regarding the use and availability of evidence-based and research-based practices.

(3) It is the intent of the legislature that increased use of evidence-based and research-based practices be accomplished to the extent possible within existing resources by coordinating the purchase of evidence-based services, the development of a trained workforce, and the development of unified and coordinated case plans to provide treatment in a coordinated and consistent manner.

(4) The legislature recognizes that in order to effectively provide evidence-based and research-based practices, contractors should have a workforce trained in these programs, and outcomes from the use of these practices should be monitored.

**NEW SECTION. Sec. 2.** For the purposes of this chapter:

(1) "Contractors" does not include county probation staff that provide evidence-based or research-based programs.

(2) "Prevention and intervention services" means services and programs for children and youth and their families that are specifically directed to address behaviors that have resulted or may result in truancy, abuse or neglect, out-of-home placements, chemical dependency, substance abuse, sexual aggressiveness, or mental or emotional disorders.

**NEW SECTION. Sec. 3.** The department of social and health services shall accomplish the following in consultation and collaboration with the Washington state institute for public policy, the evidence-based practice institute at the University of Washington, a university-based child welfare partnership and research entity, other national experts in the delivery of evidence-based services, and organizations representing Washington practitioners:

(1) By September 30, 2012, the Washington state institute for public policy, the University of Washington evidence-based practice institute, in consultation with the department shall publish descriptive definitions of evidence-based, research-based, and promising practices in the areas of child welfare, juvenile rehabilitation, and children's mental health services.

(a) In addition to descriptive definitions, the Washington state institute for public policy and the University of Washington evidence-based practice institute must prepare an inventory of evidence-based, research-based, and promising practices for prevention and intervention services that will be used for the purpose of completing the baseline assessment described in subsection (2) of this section. The inventory shall be periodically updated as more practices are identified.

(b) In identifying evidence-based and research-based services, the Washington state institute for public policy and the University of Washington evidence-based practice institute must:

(i) Consider any available systemic evidence-based assessment of a program's efficacy and cost-effectiveness; and

(ii) Attempt to identify assessments that use valid and reliable evidence.

(c) Using state, federal, or private funds, the department shall prioritize the assessment of promising practices identified in (a) of this subsection with the goal of increasing the number of such practices that meet the standards for evidence-based and research-based practices.

(2) By June 30, 2013, the department and the health care authority shall complete a baseline assessment of utilization of evidence-based and research-based practices in the areas of child welfare, juvenile rehabilitation, and children's mental health services. The assessment must include prevention and intervention services provided through medicaid fee-for-service and healthy options managed care contracts. The assessment shall include estimates of:

(a) The number of children receiving each service;

(b) For juvenile rehabilitation and child welfare services, the total amount of state and federal funds expended on the service;

(c) For children's mental health services, the number and percentage of encounters using these services that are provided to children served by regional support networks and children receiving mental health services through medicaid fee-for-service or healthy options;

(d) The relative availability of the service in the various regions of the state; and

(e) To the extent possible, the unmet need for each service.

(3)(a) By December 30, 2013, the department and the health care authority shall report to the governor and to the appropriate fiscal and policy committees of the legislature on recommended strategies, timelines, and costs for increasing the use of evidence-based and research-based practices. The report must distinguish between a reallocation of existing funding to support the recommended strategies and new funding needed to increase the use of the practices.

(b) The department shall provide updated recommendations to the governor and the legislature by December 30, 2014, and by December 30, 2015.

(4)(a) The report required under subsection (3) of this section must include recommendations for the reallocation of resources for evidence-based and research-based practices and substantial increases above the baseline assessment of the use of evidence-based and research-based practices for the 2015-2017 and the 2017-2019 biennia. The recommendations for increases shall be consistent with subsection (2) of this section.

(b) If the department or health care authority anticipates that it will not meet its recommended levels for an upcoming biennium as set forth in its report, it must report to the legislature by November 1st of the year preceding the biennium. The report shall include:

(i) The identified impediments to meeting the recommended levels;

(ii) The current and anticipated performance level; and

(iii) Strategies that will be undertaken to improve performance.

(5) Recommendations made pursuant to subsections (3) and (4) of this section must include strategies to identify programs that are effective with ethnically diverse clients and to consult with tribal governments, experts within ethnically diverse communities, and community organizations that serve diverse communities.

**NEW SECTION. Sec. 4.** The department of social and health services, in consultation with a university-based evidence-based practice institute entity in Washington, the Washington partnership council on juvenile justice, the child mental health systems of care planning committee, the children, youth, and family advisory committee, the Washington state racial disproportionality advisory committee, a university-based child welfare research entity in Washington state, regional support networks, the Washington association of juvenile court administrators, and the Washington state institute for public policy, shall:

(1) Develop strategies to use unified and coordinated case plans for children, youth, and their families who are or are likely to be involved in multiple systems within the department;

(2) Use monitoring and quality control procedures designed to measure fidelity with evidence-based and research-based prevention and treatment programs; and

(3) Utilize any existing data reporting and system of quality management processes at the state and local level for monitoring the quality control and fidelity of the implementation of evidence-based and research-based practices.

**NEW SECTION. Sec. 5.** (1) The department of social and health services and the health care authority shall identify components of evidence-based practices for which federal matching funds might be claimed and seek such matching funds to support implementation of evidence-based practices.

(2) The department shall efficiently use funds to coordinate training in evidence-based and research-based practices across the programs areas of juvenile justice, children's mental health, and child welfare.

(3) Any child welfare training related to implementation of this chapter must be delivered by the University of Washington school of social work in coordination with the University of Washington evidence-based practices institute.

(4) Nothing in this act requires the department or the health care authority to:

(a) Take actions that are in conflict with presidential executive order 13175 or that adversely impact tribal-state consultation protocols or contractual relations; or

(b) Redirect funds in a manner that:

(i) Conflicts with the requirements of the department's section 1915(b) medicaid mental health waiver; or

(ii) Would substantially reduce federal medicaid funding for mental health services or impair access to appropriate and effective services for a substantial number of medicaid clients; or

(c) Undertake actions that, in the context of a lawsuit against the state, are inconsistent with the department's obligations or authority pursuant to a court order or agreement.

**NEW SECTION. Sec. 6.** Sections 1 through 5 of this act constitute a new chapter in Title 43 RCW."

On page 1, line 2 of the title, after "juveniles;" strike the remainder of the title and insert "and adding a new chapter to Title 43 RCW."

and the same is herewith transmitted.

Thomas Hoeman, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2536 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Dickerson, Johnson, Kagi, Alexander and DeBolt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 2536, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2536, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloschia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2536, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate has passed HOUSE BILL NO. 2803 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 72.10.020 and 1995 1st sp.s. c 19 s 17 are each amended to read as follows:

(1) Upon entry into the correctional system, offenders shall receive an initial medical examination. The department shall prepare a health profile for each offender that includes at least the following information: (a) An identification of the offender's serious medical and dental needs; (b) an evaluation of the offender's capacity for work and recreation; and (c) a financial assessment of the offender's ability to pay for all or a portion of his or her health care services from personal resources or private insurance.

(2)(a) The department may develop and implement a plan for the delivery of health care services and personal hygiene items to offenders in the department's correctional facilities, at the discretion of the secretary, and in conformity with federal law.

(b) To discourage unwarranted use of health care services caused by unnecessary visits to health care providers, offenders shall participate in the costs of their health care services by paying an amount that is commensurate with their resources as determined by the department, or a nominal amount of no less than ~~((three))~~ four dollars per visit, as determined by the secretary. Under the authority granted in RCW 72.01.050(2), the secretary may authorize the superintendent to collect this amount directly from an offender's institution account. All copayments collected from offenders' institution accounts shall be ~~((deposited into the general fund))~~ a reduction in the expenditures for offender health care at the department.

(c) Offenders are required to make copayments for initial health care visits that are offender initiated and, by rule adopted by the department, may be charged a copayment for subsequent visits related to the medical condition which caused the initial visit. ~~((Offenders are not required to pay for emergency treatment or for visits initiated by health care staff or treatment of those conditions that constitute a serious health care need.))~~

(d) No offender may be refused any health care service because of indigence.

(e) At no time shall the withdrawal of funds for the payment of a medical service copayment result in reducing an offender's institution account to an amount less than the level of indigency as defined in chapter 72.09 RCW.

(3)~~((a))~~ The department shall report annually to the legislature the following information for the fiscal year preceding the report: ~~((a))~~ (a) The total number of health care visits made by offenders; ~~((b))~~ (b) the total number of copayments assessed; ~~((c))~~ (c) the total dollar amount of copayments collected; ~~((d))~~ (d) the total number of copayments not collected due to an offender's indigency; and ~~((e))~~ (e) the total number of copayments not assessed due to the serious or emergent nature of the health care treatment or because the health care visit was not offender initiated.

~~((b))~~ The first report required under this section shall be submitted not later than October 1, 1996, and shall include, at a minimum, all available information collected through the second half of fiscal year 1996. This subsection (3)(b) shall expire December 1, 1996.)

(4)(a) The secretary shall adopt, by rule, a uniform policy relating to the distribution and replenishment of personal hygiene items for inmates incarcerated in all department institutions. The policy shall provide for the initial distribution of adequate personal hygiene items to inmates upon their arrival at an institution.

(b) The acquisition of replenishment personal hygiene items is the responsibility of inmates, except that indigent inmates shall not be denied adequate personal hygiene items based on their inability to pay for them.

(c) The policy shall provide that the replenishment personal hygiene items be distributed to inmates only in authorized quantities and at intervals that reflect prudent use and customary wear and consumption of the items.

(5) To the extent that federal law allows and federal financial participation is available, for the limited purpose of implementing this section, the department, or the department's designee, is authorized to act on behalf of an inmate for purposes of applying for medicaid eligibility.

(6) The following become a debt and are subject to RCW 72.09.450:

(a) All copayments under subsection (2) of this section that are not collected when the visit occurs; and

(b) All charges for replenishment personal hygiene items that are not collected when the item is distributed.

**Sec. 2.** RCW 72.10.030 and 1989 c 157 s 4 are each amended to read as follows:

(1) Notwithstanding any other provisions of law, the secretary may enter into contracts with health care practitioners, health care facilities, and other entities or agents as may be necessary to provide ~~((basic))~~ medical, behavioral health, and chemical dependency treatment care to inmates. The contracts shall not cause the termination of classified employees of the department rendering the services at the time the contract is executed.

(2) In contracting for services, the secretary is authorized to provide for indemnification of health care practitioners who cannot obtain professional liability insurance through reasonable effort, from liability on any action, claim, or proceeding instituted against them arising out of the good faith performance or failure of performance of services on behalf of the department. The contracts may provide that for the purposes of chapter 4.92 RCW only, those health care practitioners with whom the department has contracted shall be considered state employees.

(3) Providers of hospital services that are hospitals licensed under chapter 70.41 RCW shall contract with the department for inpatient, outpatient, and ancillary services if deemed appropriate by the department. Payments to hospitals shall conform to the following requirements:

(a) The department shall pay hospitals through the provider one system operated by the Washington state health care authority;

(b) The department shall reimburse the hospitals using the reimbursement methodology in use by the state medicaid program; and

(c) The department shall only reimburse a provider of hospital services to a hospital patient at a rate no more than the amount payable under the medicaid reimbursement structure plus a percentage increase that is determined in the operating budget, regardless of whether the hospital is located within or outside of Washington.

**NEW SECTION. Sec. 3.** A new section is added to chapter 70.41 RCW to read as follows:

As a condition of licensure, a hospital must contract with the department of corrections pursuant to RCW 72.10.030."

On page 1, line 4 of the title, after "offenders;" strike the remainder of the title and insert "amending RCW 72.10.020 and 72.10.030; and adding a new section to chapter 70.41 RCW."

and the same is herewith transmitted.

Thomas Hoeman, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 2803 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Hunter and Alexander spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 2803, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2803, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

HOUSE BILL NO. 2803, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

#### SPEAKER'S PRIVILEGE

The Speaker (Representative Moeller presiding) "The Speaker is very pleased to recognize our kitchen staff, who have been very diligent in keeping us well-fed and well-watered throughout this entire session. Would they please come and join us in front of the rostrum, I'd like to introduce Peggy Palm, our cafeteria supervisor, Gayle Lard, prep cook, Steve Nelson, prep cook, Ray Fudder, dish washer, Peggy Morrisey, night cook and Jordon Obert, waiter and prep cook."

#### POINT OF PERSONAL PRIVILEGE

Representative Hunt: "Thank you Mr. Speaker, in spite of trying to get us to eat ribs in coats and ties today, they were still great. We really appreciate the work you do and the time you put in, and putting up with us as we quickly run up and down the stairs looking for lunch in fifteen minute gasps and things. You know without you we would have an even longer legislative day because we would have to go outside to find our food. I think that is very important, some people say "why do we need a cafeteria" well one reason is we don't have a lot of time to run in and out, we did a rolling lunch today for instance. The food that you have provided, the variety each day, a wonderful salad bar with a variety of salads, and just your smiling faces down there always willing to help and to get us a good plate of food and a cold glass of ice tea or whatever it is, we really appreciate the time and work that you put in and on behalf of the whole house I'd just like to thank you for all of your work, and for being here with us, thank you."

#### POINT OF PERSONAL PRIVILEGE

Representative Buys: "Thank you Mr. Speaker, I would like to thank the staff of behalf of the House Republicans, thank you for all you have done for us. We really appreciate everyday being able to go down there every day whether it's for breakfast lunch or dinner, seeing your smiling faces seeing the attitude of service that you portray to all of us, we appreciate it. Whether it is snagging us a last yogurt when all the yogurts are gone, I appreciate that, or whether its fixing us a special sandwich that we prefer, or an egg McMuffin or something like that we truly appreciate everything you do, we do have a special gift that we would love to give to you and we will give to you. So on behalf of the House Republicans and the House in general we thank you very much for your service and everything you do for us here day in day out, and even when we go really late there is always a couple of you here to keep us company or what not to help us out, so we appreciate it, thank you very much."

#### MESSAGES FROM THE SENATE

March 8, 2012

MR. SPEAKER:

The Senate has passed:

SECOND ENGROSSED SENATE BILL NO. 5873  
and the same are herewith transmitted.

Brad Hendrickson, Deputy, Secretary

March 8, 2012

MR. SPEAKER:

The President has signed:

SUBSTITUTE SENATE BILL NO. 6138  
SUBSTITUTE SENATE BILL NO. 6226  
SUBSTITUTE SENATE BILL NO. 6240

ENGROSSED SENATE BILL NO. 6257  
 SUBSTITUTE SENATE BILL NO. 6386  
 SUBSTITUTE SENATE BILL NO. 6468  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6486  
 SUBSTITUTE SENATE BILL NO. 6493  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6555  
 SUBSTITUTE SENATE BILL NO. 6581  
 ENGROSSED SENATE BILL NO. 6608  
 SENATE JOINT RESOLUTION NO. 8223

and the same are herewith transmitted.

Thomas Hoemann, Secretary

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate refuses to concur in the House amendment to SENATE BILL NO. 6494 and asks the House to recede therefrom, and the same is herewith transmitted.

Thomas Hoemann Secretary

#### HOUSE AMENDMENT TO SENATE BILL

There being no objection, the House receded from its amendment to SENATE BILL NO. 6494.

**SUBSTITUTE SENATE BILL NO. 6494, by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Stevens, Regala and Carrell).**

**Improving truancy procedures by changing the applicability of mandatory truancy petition filing provisions to children under seventeen years of age, requiring initial petitions to contain information about the child's academic status, prohibiting issuance of a bench warrant at an initial truancy status hearing, and modifying school district reporting requirements after the court assumes jurisdiction in a truancy case.**

The bill was read the third time.

Representatives Pedersen and Dammeier spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6494.

#### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6494, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger,

Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

SUBSTITUTE SENATE BILL NO. 6494, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1398 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 82.02.060 and 1990 1st ex.s. c 17 s 44 are each amended to read as follows:

The local ordinance by which impact fees are imposed:

(1) Shall include a schedule of impact fees which shall be adopted for each type of development activity that is subject to impact fees, specifying the amount of the impact fee to be imposed for each type of system improvement. The schedule shall be based upon a formula or other method of calculating such impact fees. In determining proportionate share, the formula or other method of calculating impact fees shall incorporate, among other things, the following:

(a) The cost of public facilities necessitated by new development;

(b) An adjustment to the cost of the public facilities for past or future payments made or reasonably anticipated to be made by new development to pay for particular system improvements in the form of user fees, debt service payments, taxes, or other payments earmarked for or proratable to the particular system improvement;

(c) The availability of other means of funding public facility improvements;

(d) The cost of existing public facilities improvements; and

(e) The methods by which public facilities improvements were financed;

(2) May provide an exemption for low-income housing, and other development activities with broad public purposes, from these impact fees, provided that the impact fees for such development activity shall be paid from public funds other than impact fee accounts;

(3) May provide an exemption from impact fees for low-income housing. Local governments that grant exemptions for low-income housing under this subsection (3) may either: Grant a partial exemption of not more than eighty percent of impact fees, in which case there is no explicit requirement to pay the exempted portion of the fee from public funds other than impact fee accounts; or provide a full waiver, in which case the remaining percentage of the exempted fee must be paid from public funds other than impact fee accounts. An exemption for low-income housing granted under subsection (2) of this section or this subsection (3) must be conditioned upon requiring the developer to record a covenant that, except as provided otherwise by this subsection, prohibits using the property for any purpose other than for low-income housing. At a minimum, the covenant must address price restrictions and household income limits for the low-income housing, and that if the property is converted to a use other than for low-income housing, the property owner must pay the applicable impact fees in effect at the time of conversion. Covenants required by this subsection must be recorded with the applicable county auditor or recording officer. A local government granting an exemption under subsection (2) of this section or this subsection (3) for low-income housing may not collect revenue lost through granting an exemption by increasing impact fees unrelated to the exemption. A school district who receives school impact fees must approve any exemption under subsection (2) of this section or this subsection (3);

(4) Shall provide a credit for the value of any dedication of land

for, improvement to, or new construction of any system improvements provided by the developer, to facilities that are identified in the capital facilities plan and that are required by the county, city, or town as a condition of approving the development activity;

~~((4))~~ (5) Shall allow the county, city, or town imposing the impact fees to adjust the standard impact fee at the time the fee is imposed to consider unusual circumstances in specific cases to ensure that impact fees are imposed fairly;

~~((5))~~ (6) Shall include a provision for calculating the amount of the fee to be imposed on a particular development that permits consideration of studies and data submitted by the developer to adjust the amount of the fee;

~~((6))~~ (7) Shall establish one or more reasonable service areas within which it shall calculate and impose impact fees for various land use categories per unit of development; and

~~((7))~~ (8) May provide for the imposition of an impact fee for system improvement costs previously incurred by a county, city, or town to the extent that new growth and development will be served by the previously constructed improvements provided such fee shall not be imposed to make up for any system improvement deficiencies. For purposes of this section, "low-income housing" means housing with a monthly housing expense, that is no greater than thirty percent of eighty percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States department of housing and urban development."

On page 1, line 1 of the title, after "fees;" strike the remainder of the title and insert "and amending RCW 82.02.060."

and the same is herewith transmitted.

Thomas Hoeman, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1398 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Fitzgibbon spoke in favor of the passage of the bill.

Representative Smith spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1398, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1398, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 56; Nays, 42; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Asay, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Roberts, Ryu, Santos, Seaquist, Sells, Springer, Stanford,

Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Reykdal, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Warnick, Wilcox and Zeiger.

ENGROSSED HOUSE BILL NO. 1398, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the sixth order of business.

#### SECOND READING

**SUBSTITUTE SENATE BILL NO. 6492, by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Stevens and Regala)**

**Improving timeliness, efficiency, and accountability of forensic resource utilization associated with competency to stand trial.**

The bill was read the second time.

With the consent of the house, amendment (1352) was withdrawn.

Representative Pedersen moved the adoption of amendment (1355).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The purpose of this act is to sustainably improve the timeliness of services related to competency to stand trial by setting performance expectations, establishing new mechanisms for accountability, and enacting reforms to ensure that forensic resources are expended in an efficient and clinically appropriate manner without diminishing the quality of competency services, and to reduce the time defendants with mental illness spend in jail awaiting evaluation and restoration of competency.

NEW SECTION. Sec. 2. A new section is added to chapter 10.77 RCW to read as follows:

(1)(a) The legislature establishes the following performance targets for the timeliness of the completion of accurate and reliable evaluations of competency to stand trial and admissions for inpatient services related to competency to proceed or stand trial for adult criminal defendants. The legislature recognizes that these targets may not be achievable in all cases without compromise to quality of evaluation services, but intends for the department to manage, allocate, and request appropriations for resources in order to meet these targets whenever possible without sacrificing the accuracy of competency evaluations, and to otherwise make sustainable improvements and track performance related to the timeliness of competency services:

(i) For a state hospital to extend an offer of admission to a defendant in pretrial custody for legally authorized treatment or evaluation services related to competency, or to extend an offer of admission for legally authorized services following dismissal of charges based on incompetent to proceed or stand trial, seven days or less;

(ii) For completion of a competency evaluation in jail and distribution of the evaluation report for a defendant in pretrial custody, seven days or less;

(iii) For completion of a competency evaluation in the community and distribution of the evaluation report for a defendant who is released from custody and makes a reasonable effort to cooperate with the evaluation, twenty-one days or less.

(b) The time periods measured in these performance targets shall run from the date on which the state hospital receives the court referral and charging documents, discovery, and criminal history information related to the defendant. The targets in (a)(i) and (ii) of this subsection shall be phased in over a six-month period from the effective date of this section. The target in (a)(iii) of this subsection shall be phased in over a twelve-month period from the effective date of this section.

(c) The legislature recognizes the following nonexclusive list of circumstances that may place achievement of targets for completion of competency services described in (a) of this subsection out of the department's reach in an individual case without aspersion to the efforts of the department:

(i) Despite a timely request, the department has not received necessary medical clearance information regarding the current medical status of a defendant in pretrial custody for the purposes of admission to a state hospital;

(ii) The individual circumstances of the defendant make accurate completion of an evaluation of competency to proceed or stand trial dependent upon review of medical history information which is in the custody of a third party and cannot be immediately obtained by the department. Completion of a competency evaluation shall not be postponed for procurement of medical history information which is merely supplementary to the competency determination;

(iii) Completion of the referral is frustrated by lack of availability or participation by counsel, jail or court personnel, interpreters, or the defendant; or

(iv) An unusual spike in the receipt of evaluation referrals or in the number of defendants requiring restoration services has occurred, causing temporary delays until the unexpected excess demand for competency services can be resolved.

(2) The department shall:

(a) Develop, document, and implement procedures to monitor the clinical status of defendants admitted to a state hospital for competency services that allow the state hospital to accomplish early discharge for defendants for whom clinical objectives have been achieved or may be achieved before expiration of the commitment period;

(b) Investigate the extent to which patients admitted to a state hospital under this chapter overstay time periods authorized by law and take reasonable steps to limit the time of commitment to authorized periods; and

(c) Establish written standards for the productivity of forensic evaluators and utilize these standards to internally review the performance of forensic evaluators.

(3) Following any quarter in which a state hospital has failed to meet one or more of the performance targets in subsection (1) of this section after full implementation of the performance target, the department shall report to the executive and the legislature the extent of this deviation and describe any corrective action being taken to improve performance. This report must be made publicly available. An average may be used to determine timeliness under this subsection.

(4) Beginning December 1, 2013, the department shall report annually to the legislature and the executive on the timeliness of services related to competency to proceed or stand trial and the timeliness with which court referrals accompanied by charging documents, discovery, and criminal history information are provided to the department relative to the signature date of the court order. The

report must be in a form that is accessible to the public and that breaks down performance by county.

(5) This section does not create any new entitlement or cause of action related to the timeliness of competency evaluations or admission for inpatient services related to competency to proceed or stand trial, nor can it form the basis for contempt sanctions under chapter 7.21 RCW or a motion to dismiss criminal charges.

**Sec. 3.** RCW 10.77.060 and 2004 c 9 s 1 are each amended to read as follows:

(1)(a) Whenever a defendant has pleaded not guilty by reason of insanity, or there is reason to doubt his or her competency, the court on its own motion or on the motion of any party shall either appoint or request the secretary to designate ~~((at least two))~~ a qualified expert~~((s))~~ or professional person~~((s))~~, ~~((one of whom))~~ who shall be approved by the prosecuting attorney, to ~~((examine))~~ evaluate and report upon the mental condition of the defendant.

~~((b))~~ (b) The signed order of the court shall serve as authority for the ~~((experts))~~ evaluator to be given access to all records held by any mental health, medical, educational, or correctional facility that relate to the present or past mental, emotional, or physical condition of the defendant. ~~((At least one of the experts or professional persons appointed shall be a developmental disabilities professional))~~ If the court is advised by any party that the defendant may ((be developmentally disabled)) have a developmental disability, the evaluation must be performed by a developmental disabilities professional. ~~((Upon agreement of the parties, the court may designate one expert or professional person to conduct the examination and report on the mental condition of the defendant. For purposes of the examination, the court may order))~~

~~((c))~~ (c) The evaluator shall assess the defendant in a jail, detention facility, in the community, or in court to determine whether a period of inpatient commitment will be necessary to complete an accurate evaluation. If inpatient commitment is needed, the signed order of the court shall serve as authority for the evaluator to request the jail or detention facility to transport the defendant ~~((committed))~~ to a hospital or ~~((other suitably))~~ secure ~~((public or private))~~ mental health facility for a period of ~~((time necessary to complete the examination, but))~~ commitment not to exceed fifteen days from the time of admission to the facility. Otherwise, the evaluator shall complete the evaluation.

~~((d))~~ (d) The court may commit the defendant for evaluation to a hospital or secure mental health facility without an assessment if the defendant is charged with murder in the first or second degree or if the court finds that it is more likely than not that an evaluation in the jail will be inadequate to complete an accurate evaluation. The court shall not order an initial inpatient evaluation for any purpose other than a competency evaluation. ~~((If the defendant is being held in jail or other detention facility, upon agreement of the parties, the court may direct that the examination be conducted at the jail or other detention facility.~~

~~((b))~~ (e) The order shall indicate whether, in the event the defendant is committed to a hospital or secure mental health facility for evaluation, all parties agree to waive the presence of the defendant or to the defendant's remote participation at a subsequent competency hearing or presentation of an agreed order if the recommendation of the evaluator is for continuation of the stay of criminal proceedings, or if the opinion of the evaluator is that the defendant remains incompetent and there is no remaining restoration period, and the hearing is held prior to the expiration of the authorized commitment period.

~~((f))~~ (f) When a defendant is ordered to be committed for inpatient ~~((examination))~~ evaluation under this subsection (1), the court may delay granting bail until the defendant has been evaluated for competency or sanity and appears before the court. Following the evaluation, in determining bail the court shall consider: (i) Recommendations of the ~~((expert or professional persons))~~ evaluator

regarding the defendant's competency, sanity, or diminished capacity; (ii) whether the defendant has a recent history of one or more violent acts; (iii) whether the defendant has previously been acquitted by reason of insanity or found incompetent; (iv) whether it is reasonably likely the defendant will fail to appear for a future court hearing; and (v) whether the defendant is a threat to public safety.

(2) The court may direct that a qualified expert or professional person retained by or appointed for the defendant be permitted to witness the ~~((examination))~~ evaluation authorized by subsection (1) of this section, and that the defendant shall have access to all information obtained by the court appointed experts or professional persons. The defendant's expert or professional person shall have the right to file his or her own report following the guidelines of subsection (3) of this section. If the defendant is indigent, the court shall upon the request of the defendant assist him or her in obtaining an expert or professional person.

(3) The report of the ~~((examination))~~ evaluation shall include the following:

(a) A description of the nature of the ~~((examination))~~ evaluation;

(b) A diagnosis or description of the current mental ~~((condition))~~ status of the defendant;

(c) If the defendant suffers from a mental disease or defect, or ~~((is developmentally disabled))~~ has a developmental disability, an opinion as to competency;

(d) If the defendant has indicated his or her intention to rely on the defense of insanity pursuant to RCW 10.77.030, and an evaluation and report by an expert or professional person has been provided concluding that the defendant was criminally insane at the time of the alleged offense, an opinion as to the defendant's sanity at the time of the act, and an opinion as to whether the defendant presents a substantial danger to other persons, or presents a substantial likelihood of committing criminal acts jeopardizing public safety or security, unless kept under further control by the court or other persons or institutions, provided that no opinion shall be rendered under this subsection (3)(d) unless the evaluator or court determines that the defendant is competent to stand trial;

(e) When directed by the court, if an evaluation and report by an expert or professional person has been provided concluding that the defendant lacked the capacity at the time of the offense to form the mental state necessary to commit the charged offense, an opinion as to the capacity of the defendant to have a particular state of mind which is an element of the offense charged;

(f) An opinion as to whether the defendant should be evaluated by a ~~((county))~~ designated mental health professional under chapter 71.05 RCW ~~((, and an opinion as to whether the defendant is a substantial danger to other persons, or presents a substantial likelihood of committing criminal acts jeopardizing public safety or security, unless kept under further control by the court or other persons or institutions))~~.

(4) The secretary may execute such agreements as appropriate and necessary to implement this section and may choose to designate more than one evaluator.

**Sec. 4.** RCW 10.77.065 and 2008 c 213 s 1 are each amended to read as follows:

(1)(a)(i) The ~~((facility))~~ expert conducting the evaluation shall provide ~~((its))~~ his or her report and recommendation to the court in which the criminal proceeding is pending. For a competency evaluation of a defendant who is released from custody, if the evaluation cannot be completed within twenty-one days due to a lack of cooperation by the defendant, the evaluator shall notify the court that he or she is unable to complete the evaluation because of such lack of cooperation.

(ii) A copy of the report and recommendation shall be provided to the designated mental health professional, the prosecuting attorney, the defense attorney, and the professional person at the local correctional facility where the defendant is being held, or if there is no

professional person, to the person designated under (a)~~((#))~~ (iv) of this subsection. Upon request, the ~~((facility))~~ evaluator shall also provide copies of any source documents relevant to the evaluation to the designated mental health professional. ~~((The report and recommendation shall be provided not less than twenty-four hours preceding the transfer of the defendant to the correctional facility in the county in which the criminal proceeding is pending.~~

~~((#))~~ (iii) Any facility providing inpatient services related to competency shall discharge the defendant as soon as the facility determines that the defendant is competent to stand trial. Discharge shall not be postponed during the writing and distribution of the evaluation report. Distribution of an evaluation report by a facility providing inpatient services shall ordinarily be accomplished within two working days or less following the final evaluation of the defendant. If the defendant is discharged to the custody of a local correctional facility, the local correctional facility must continue the medication regimen prescribed by the facility, when clinically appropriate, unless the defendant refuses to cooperate with medication.

(iv) If there is no professional person at the local correctional facility, the local correctional facility shall designate a professional person as defined in RCW 71.05.020 or, in cooperation with the regional support network, a professional person at the regional support network to receive the report and recommendation.

~~((iii) When a defendant is transferred to the facility conducting the evaluation, or)~~ (v) Upon commencement of a defendant's evaluation in the local correctional facility, the local correctional facility must notify the evaluator ~~((or the facility conducting the evaluation))~~ of the name of the professional person, or person designated under (a)~~((#))~~ (iv) of this subsection, to receive the report and recommendation.

(b) If the ~~((facility))~~ evaluator concludes, under RCW 10.77.060(3)(f), the person should be ~~((kept under further control, an evaluation shall be conducted of such person))~~ evaluated by a designated mental health professional under chapter 71.05 RCW~~((,))~~, the court shall order ~~((an))~~ such evaluation be conducted ~~((by the appropriate designated mental health professional: (i))~~ prior to release from confinement ~~((for such person who is convicted, if sentenced to confinement for twenty-four months or less; (ii) for any person who is acquitted; or (iii) for any person: (A) Whose charges are dismissed pursuant to RCW 10.77.086(4); or (B) whose nonfelony charges are dismissed))~~ when the person is acquitted or convicted and sentenced to confinement for twenty-four months or less, or when charges are dismissed pursuant to a finding of incompetent to stand trial.

(2) The designated mental health professional shall provide written notification within twenty-four hours of the results of the determination whether to commence proceedings under chapter 71.05 RCW. The notification shall be provided to the persons identified in subsection (1)(a) of this section.

(3) The prosecuting attorney shall provide a copy of the results of any proceedings commenced by the designated mental health professional under subsection (2) of this section to the ~~((facility conducting the evaluation under this chapter))~~ secretary.

(4) The fact of admission and all information and records compiled, obtained, or maintained in the course of providing services under this chapter may also be disclosed to the courts solely to prevent the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

**Sec. 5.** RCW 10.77.084 and 2007 c 375 s 3 are each amended to read as follows:

(1)(a) If at any time during the pendency of an action and prior to judgment the court finds, following a report as provided in RCW 10.77.060, a defendant is incompetent, the court shall order the proceedings against the defendant be stayed except as provided in subsection (4) of this section.

(b) ((A defendant found incompetent shall be evaluated at the direction of the secretary and a determination made whether the defendant is an individual with a developmental disability. Such evaluation and determination shall be accomplished as soon as possible following the court's placement of the defendant in the custody of the secretary.

(i) When appropriate, and subject to available funds, if the defendant is determined to be an individual with a developmental disability, he or she may be placed in a program specifically reserved for the treatment and training of persons with developmental disabilities where the defendant shall have the right to habilitation according to an individualized service plan specifically developed for the particular needs of the defendant. A copy of the evaluation shall be sent to the program.

(A) The program shall be separate from programs serving persons involved in any other treatment or habilitation program.

(B) The program shall be appropriately secure under the circumstances and shall be administered by developmental disabilities professionals who shall direct the habilitation efforts.

(C) The program shall provide an environment affording security appropriate with the charged criminal behavior and necessary to protect the public safety.

(ii) The department may limit admissions of such persons to this specialized program in order to ensure that expenditures for services do not exceed amounts appropriated by the legislature and allocated by the department for such services.

(iii) The department may establish admission priorities in the event that the number of eligible persons exceeds the limits set by the department.

(c)) At the end of the mental health treatment and restoration period, if any, or at any time a professional person determines competency has been, or is unlikely to be, restored, the defendant shall be returned to court for a hearing. The parties may agree to waive the defendant's presence or to remote participation by the defendant at a hearing or presentation of an agreed order if the recommendation of the evaluator is for the continuation of the stay of criminal proceedings, or if the opinion of the evaluator is that the defendant remains incompetent and there is no remaining restoration period, and the hearing is held prior to expiration of the defendant's authorized period of commitment, in which case the department shall promptly notify the court and parties of the date of the defendant's admission and expiration of commitment so that a timely hearing date may be scheduled. If, after notice and hearing, competency has been restored, the stay entered under (a) of this subsection shall be lifted. If competency has not been restored, the proceedings shall be dismissed without prejudice. If the court concludes that competency has not been restored, but that further treatment within the time limits established by RCW 10.77.086 or 10.77.088 is likely to restore competency, the court may order that treatment for purposes of competency restoration be continued. Such treatment may not extend beyond the combination of time provided for in RCW 10.77.086 or 10.77.088.

~~((d))~~ (c) If at any time during the proceeding the court finds, following notice and hearing, a defendant is not likely to regain competency, the proceedings shall be dismissed without prejudice and the defendant shall be evaluated for civil commitment proceedings.

(2) If the defendant is referred ~~((to the))~~ for evaluation by a designated mental health professional ((for consideration of initial detention proceedings under chapter 71.05 RCW pursuant to)) under this chapter, the designated mental health professional shall provide prompt written notification of the results of the ~~((determination whether to commence initial detention proceedings under chapter 71.05 RCW))~~ evaluation and whether the person was detained. The notification shall be provided to the court in which the criminal action was pending, the prosecutor, the defense attorney in the criminal action, and the facility that evaluated the defendant for competency.

(3) The fact that the defendant is unfit to proceed does not preclude any pretrial proceedings which do not require the personal participation of the defendant.

(4) A defendant receiving medication for either physical or mental problems shall not be prohibited from standing trial, if the medication either enables the defendant to understand the proceedings against him or her and to assist in his or her own defense, or does not disable him or her from so understanding and assisting in his or her own defense.

(5) At or before the conclusion of any commitment period provided for by this section, the facility providing evaluation and treatment shall provide to the court a written report of ~~((examination))~~ evaluation which meets the requirements of RCW 10.77.060(3). For defendants charged with a felony, the report following the second competency restoration period or first competency restoration period if the defendant's incompetence is determined to be solely due to a developmental disability or the evaluator concludes that the defendant is not likely to regain competency must include an assessment of the defendant's future dangerousness which is evidence-based regarding predictive validity.

**Sec. 6.** RCW 10.77.086 and 2007 c 375 s 4 are each amended to read as follows:

(1)(a) If the defendant is charged with a felony and determined to be incompetent, until he or she has regained the competency necessary to understand the proceedings against him or her and assist in his or her own defense, or has been determined unlikely to regain competency pursuant to RCW 10.77.084(1)((e)) (b), but in any event for a period of no longer than ninety days, the court:

~~((a))~~ (i) Shall commit the defendant to the custody of the secretary who shall place such defendant in an appropriate facility of the department for evaluation and treatment; or

~~((b))~~ (ii) May alternatively order the defendant to undergo evaluation and treatment at some other facility as determined by the department, or under the guidance and control of a professional person.

(b) For a defendant whose highest charge is a class C felony, or a class B felony that is not classified as violent under RCW 9.94A.030, the maximum time allowed for the initial period of commitment for competency restoration is forty-five days.

(2) On or before expiration of the initial ~~((ninety day))~~ period of commitment under subsection (1) of this section the court shall conduct a hearing, at which it shall determine whether or not the defendant is incompetent.

(3) If the court finds by a preponderance of the evidence that a defendant charged with a felony is incompetent, the court shall have the option of extending the order of commitment or alternative treatment for an additional ~~((ninety day))~~ period of ninety days, but the court must at the time of extension set a date for a prompt hearing to determine the defendant's competency before the expiration of the second ~~((ninety day))~~ restoration period. The defendant, the defendant's attorney, or the prosecutor has the right to demand that the hearing be before a jury. No extension shall be ordered for a second ~~((ninety day))~~ or third restoration period~~((, nor for any subsequent period))~~ as provided in subsection (4) of this section~~((;))~~ if the defendant's incompetence has been determined by the secretary to be solely the result of a developmental disability which is such that competence is not reasonably likely to be regained during an extension.

(4) For persons charged with a felony, at the hearing upon the expiration of the second ~~((ninety day))~~ restoration period or at the end of the first ~~((ninety day))~~ restoration period, in the case of a defendant with a developmental disability, if the jury or court finds that the defendant is incompetent, the charges shall be dismissed without prejudice, and ~~((either civil commitment proceedings shall be instituted or))~~ the court shall either order the release of the defendant or order the defendant be committed to a hospital or secure mental

health facility for up to seventy-two hours starting from admission to the facility, excluding Saturdays, Sundays, and holidays, for evaluation for the purpose of filing a civil commitment petition. The criminal charges shall not be dismissed if the court or jury finds that: (a) The defendant (i) is a substantial danger to other persons; or (ii) presents a substantial likelihood of committing criminal acts jeopardizing public safety or security; and (b) there is a substantial probability that the defendant will regain competency within a reasonable period of time. In the event that the court or jury makes such a finding, the court may extend the period of commitment for up to an additional six months.

**NEW SECTION. Sec. 7.** A new section is added to chapter 10.77 RCW to read as follows:

(1) A defendant found incompetent by the court under RCW 10.77.084 must be evaluated at the direction of the secretary and a determination made whether the defendant is an individual with a developmental disability. Such evaluation and determination must be accomplished as soon as possible following the court's placement of the defendant in the custody of the secretary.

(2) When appropriate, and subject to available funds, if the defendant is determined to be an individual with a developmental disability, he or she may be placed in a program specifically reserved for the treatment and training of persons with developmental disabilities where the defendant has the right to habilitation according to an individualized service plan specifically developed for the particular needs of the defendant. A copy of the evaluation must be sent to the program.

(a) The program must be separate from programs serving persons involved in any other treatment or habilitation program.

(b) The program must be appropriately secure under the circumstances and must be administered by developmental disabilities professionals who shall direct the habilitation efforts.

(c) The program must provide an environment affording security appropriate with the charged criminal behavior and necessary to protect the public safety.

(3) The department may limit admissions of such persons to this specialized program in order to ensure that expenditures for services do not exceed amounts appropriated by the legislature and allocated by the department for such services.

(4) The department may establish admission priorities in the event that the number of eligible persons exceeds the limits set by the department.

**Sec. 8.** RCW 71.05.310 and 2005 c 504 s 709 are each amended to read as follows:

The court shall conduct a hearing on the petition for ninety-day treatment within five judicial days of the first court appearance after the probable cause hearing, or within ten judicial days for a petition filed under RCW 71.05.280(3). The court may continue the hearing for good cause upon the written request of the person named in the petition or the person's attorney(ies). ~~The court may continue for good cause ((shown, which continuance shall not exceed five additional judicial days))~~ the hearing on a petition filed under RCW 71.05.280(3) upon written request by the person named in the petition, the person's attorney, or the petitioner. If the person named in the petition requests a jury trial, the trial shall commence within ten judicial days of the first court appearance after the probable cause hearing. The burden of proof shall be by clear, cogent, and convincing evidence and shall be upon the petitioner. The person shall be present at such proceeding, which shall in all respects accord with the constitutional guarantees of due process of law and the rules of evidence pursuant to RCW 71.05.360 (8) and (9).

During the proceeding, the person named in the petition shall continue to be treated until released by order of the superior court. If no order has been made within thirty days after the filing of the petition, not including extensions of time requested by the detained

person or his or her attorney, or the petitioner in the case of a petition filed under RCW 71.05.280(3), the detained person shall be released.

**NEW SECTION. Sec. 9.** The joint legislative audit and review committee shall make an independent assessment of the performance of the state hospitals with respect to provisions specified in section 2 of this act, but shall not be required to independently evaluate the exercise of clinical judgment. A report shall be made to the legislature reflecting the committee's findings and recommendations both six and eighteen months following the effective date of this section. The department of social and health services shall cooperate in a timely manner with requests for data and assistance related to this assessment.

**NEW SECTION. Sec. 10.** The Washington state institute for public policy shall study and report to the legislature the benefit of standardizing protocols used for treatment to restore competency to stand trial in Washington and during what clinically appropriate time period said treatment may be expected to be effective. The department of social and health services shall cooperate in a timely manner with data requests in service of this study.

**NEW SECTION. Sec. 11.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect May 1, 2012."

Correct the title.

Representative Pedersen moved the adoption of amendment (1353) to the striking amendment.

On page 4, line 31 of the striking amendment, after "assessment if" insert ":(i)"

On page 4, line 32 of the striking amendment, after "degree" strike "or if" and insert ":(ii)"

On page 4, line 34 of the striking amendment, after "evaluation" insert "; or (iii) the court finds that an evaluation outside the jail setting is necessary for the health, safety, or welfare of the defendant"

Representatives Pedersen and Rodne spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1353) was adopted.

Representative Pedersen moved the adoption of amendment (1354) to the striking amendment.

On page 13, beginning on line 22 of the striking amendment, strike all of section 8

Renumber the remaining sections consecutively, correct internal references accordingly, and correct the title.

Representative Pedersen spoke in favor of the adoption of the amendment to the striking amendment.

Representative Rodne spoke against the adoption of the amendment to the striking amendment.

Amendment (1354) was adopted.

Representative Roberts moved the adoption of amendment (1373) to the striking amendment.

On page 14, after line 27 of the striking amendment, insert the following:

**NEW SECTION. Sec. 11.** A new section is added to chapter 70.48 RCW to read as follows:

A jail may not refuse to book a patient of a state hospital solely based on the patient's status as a state hospital patient, but may consider other relevant factors that apply to the individual circumstances in each case.

**NEW SECTION. Sec. 12.** A new section is added to chapter 10.77 RCW to read as follows:

(1) A state hospital may administer antipsychotic medication without consent to an individual who is committed under this chapter as criminally insane by following the same procedures applicable to the administration of antipsychotic medication without consent to a civilly committed patient under RCW 71.05.217, except for the following:

(a) The maximum period during which the court may authorize the administration of medication without consent under a single involuntary medication petition shall be the time remaining on the individual's current order of commitment or one hundred eighty days, whichever is shorter; and

(b) A petition for involuntary medication may be filed in either the superior court of the county that ordered the commitment or the superior court of the county in which the individual is receiving treatment, provided that a copy of any order that is entered must be provided to the superior court of the county that ordered the commitment following the hearing. The superior court of the county of commitment shall retain exclusive jurisdiction over all hearings concerning the release of the patient.

(2) The state has a compelling interest in providing antipsychotic medication to a patient who has been committed as criminally insane when refusal of antipsychotic medication would result in a likelihood of serious harm or substantial deterioration or substantially prolong the length of involuntary commitment and there is no less intrusive course of treatment than medication that is in the best interest of the patient."

Renumber the remaining section consecutively and correct the title.

Representatives Roberts and Rodne spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1373) was adopted.

Representative Pedersen spoke in favor of the adoption of the striking amendment.

Representative Rodne spoke against the adoption of the striking amendment.

Amendment (1355) 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.

Representative Pedersen spoke in favor of the passage of the bill.

Representative Rodne spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6492, as amended by the House.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6492, as amended by the House, and the bill

passed the House by the following vote: Yeas: 62 Nays: 36  
Absent: 0 Excused: 0

Voting yea: Representatives Anderson, Appleton, Billig, Blake, Buys, Carlyle, Clibborn, Cody, Dahlquist, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Harris, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Roberts, Ross, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie, and Mr. Speaker

Voting nay: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Bailey, Chandler, Condotta, Crouse, Dammeier, DeBolt, Fagan, Haler, Hargrove, Hinkle, Hope, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox, and Zeiger

SUBSTITUTE SENATE BILL NO. 6492, as amended by the House, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2262, by Representatives Kagi, Hinkle, Darneille, Ladenburg, Walsh, Goodman, Carlyle, Fitzgibbon, Jinkins, Roberts, Ryu and Kenney**

**Regarding constraints of expenditures for WorkFirst and child care programs.**

The bill was read the second time.

Representative Kagi moved the adoption of amendment (1361).

Strike everything after the enacting clause and insert the following:

**NEW SECTION. Sec. 1.** A new section is added to chapter 74.08A RCW to read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.210 through 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW within the following constraints:

(1) The program shall be operated within amounts appropriated by the legislature and consistent with policy established by the legislature and the legislative-executive WorkFirst oversight task force as provided in RCW 74.08A.260 to achieve self-sufficiency through work and the following additional outcomes:

(a) Recipients' economic status is improving through wage progression, job retention, and educational advancement;

(b) Recipients' status regarding housing stability, medical and behavioral health and job readiness is improving;

(c) The well-being of children whose caretaker is receiving benefits on their behalf is improving with respect to child welfare and educational achievement.

(2) (a) The department shall create a budget structure that allows for more transparent tracking of program spending. The budget structure shall outline spending for the following: Temporary assistance for needy family grants, working connections child care, WorkFirst activities and administration of the program.

(b) Each biennium, the department shall establish a biennial spending plan, using the budget structure created in (a) of this subsection, for this program and submit the plan to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force no later than July 1st of every odd numbered year,

beginning on July 1, 2013. The department shall update the legislative fiscal committees and the task force on the spending plan if modifications are made to the plan previously submitted to the legislature and the task force for that biennium.

(c) The department also shall provide expenditure reports to the fiscal committees of the legislature and the legislative-executive WorkFirst oversight task force beginning September 1, 2012, and on a quarterly basis thereafter. If the department determines, based upon quarterly expenditure reports, that expenditures will exceed funding at the end of the fiscal year, the department shall take those actions necessary to ensure that services provided under this chapter are available only to the extent of and consistent with appropriations in the operating budget and policy established by the legislature following notification provided in (b) of this subsection.

(3) No more than fifteen percent of the temporary assistance for needy families block grant, the federal child care funds and qualifying state expenditures may be spent for administrative purposes. For purposes of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193.

(4) The department shall expend funds appropriated for work activities, as defined in RCW 74.08A.250, or for other services provided to WorkFirst recipients, as authorized under RCW 74.08A.290.

**NEW SECTION. Sec. 2.** RCW 74.0A.340 (Funding restrictions) and 2009 c 564 s 953, 2008 c 329 s 922; 2007 c 522 s 957; 2006 c 265 s 209; 1997 c 58 s 321 are each repealed.

**Sec. 3.** RCW 43.88C.010 and 2011 c 304 s 2 are each amended to read as follows:

(1) The caseload forecast council is hereby created. The council shall consist of two individuals appointed by the governor and four individuals, one of whom is appointed by the chairperson of each of the two largest political caucuses in the senate and house of representatives. The chair of the council shall be selected from among the four caucus appointees. The council may select such other officers as the members deem necessary.

(2) The council shall employ a caseload forecast supervisor to supervise the preparation of all caseload forecasts. As used in this chapter, "supervisor" means the caseload forecast supervisor.

(3) Approval by an affirmative vote of at least five members of the council is required for any decisions regarding employment of the supervisor. Employment of the supervisor shall terminate after each term of three years. At the end of the first year of each three-year term the council shall consider extension of the supervisor's term by one year. The council may fix the compensation of the supervisor. The supervisor shall employ staff sufficient to accomplish the purposes of this section.

(4) The caseload forecast council shall oversee the preparation of and approve, by an affirmative vote of at least four members, the official state caseload forecasts prepared under RCW 43.88C.020. If the council is unable to approve a forecast before a date required in RCW 43.88C.020, the supervisor shall submit the forecast without approval and the forecast shall have the same effect as if approved by the council.

(5) A councilmember who does not cast an affirmative vote for approval of the official caseload forecast may request, and the supervisor shall provide, an alternative forecast based on assumptions specified by the member.

(6) Members of the caseload forecast council shall serve without additional compensation but shall be reimbursed for travel expenses in accordance with RCW 44.04.120 while attending sessions of the council or on official business authorized by the council. Nonlegislative members of the council shall be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(7) "Caseload," as used in this chapter, means:

(a) The number of persons expected to meet entitlement requirements and require the services of public assistance programs, state correctional institutions, state correctional noninstitutional supervision, state institutions for juvenile offenders, the common school system, long-term care, medical assistance, foster care, and adoption support;

(b) The number of students who are eligible for the Washington college bound scholarship program and are expected to attend an institution of higher education as defined in RCW 28B.92.030.

(8) The caseload forecast council shall forecast the temporary assistance for needy families and the working connections child care programs as a courtesy.

(9) Unless the context clearly requires otherwise, the definitions provided in RCW 43.88.020 apply to this chapter.

**NEW SECTION. Sec. 4.** This act takes effect July 1, 2012."

Correct the title.

Representative Kagi spoke in favor of the adoption of the striking amendment.

Amendment (1361) was adopted.

The bill was ordered engrossed.

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

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2262.

## ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2262, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Uptegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 2262, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2357, by Representatives Darneille, Kirby, Ladenburg, Green, Jinkins, Kagi and Tharinger**

**Concerning sales and use tax for chemical dependency, mental health treatment, and therapeutic courts.**

The bill was read the second time.

There being no objection, Substitute House Bill No. 2357 was substituted for House Bill No. 2357 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2357 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 Darneille and Alexander spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2357.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2357, and the bill passed the House by the following vote: Yeas, 76; Nays, 22; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Roberts, Ryu, Santos, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Anderson, Buys, Condotta, Crouse, DeBolt, Hargrove, Johnson, Klippert, Kretz, Kristiansen, McCune, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Shea, Short and Taylor.

SUBSTITUTE HOUSE BILL NO. 2357, having received the necessary constitutional majority, was declared passed.

### SENATE BILL NO. 6159, by Senators Hargrove, Regala, Harper and Padden

#### Concerning a business and occupation tax deduction for amounts received with respect to dispute resolution services.

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 Orcutt spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Senate Bill No. 6159.

### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 6159, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Anderson and Reykdal.

SENATE BILL NO. 6159, having received the necessary constitutional majority, was declared passed.

### SUBSTITUTE SENATE BILL NO. 6600, by Senate Committee on Ways & Means (originally sponsored by Senator Eide)

#### Extending property tax exemptions to property used exclusively by certain nonprofit organizations that is leased from an entity that acquired the property from a previously exempt nonprofit organization.

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 Asay and Hunter spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6600.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6600, and the bill passed the House by the following vote: Yeas, 91; Nays, 7; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hope, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Rivers, Roberts, Rodne, Ross, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Anderson, Hasegawa, Hinkle, Hudgins, Reykdal, Ryu and Stanford.

SUBSTITUTE SENATE BILL NO. 6600, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Moeller presiding) called upon Representative Orwall to preside.

The Speaker assumed the chair.

**SIGNED BY THE SPEAKER**

The Speaker signed the following bills:

SUBSTITUTE HOUSE BILL NO. 1057  
 SUBSTITUTE HOUSE BILL NO. 1552  
 SUBSTITUTE HOUSE BILL NO. 1559  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1627  
 ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO.  
 1860  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1983  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2048  
 SUBSTITUTE HOUSE BILL NO. 2177  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2197  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2233  
 SUBSTITUTE HOUSE BILL NO. 2252  
 SUBSTITUTE HOUSE BILL NO. 2254  
 SUBSTITUTE HOUSE BILL NO. 2261  
 SUBSTITUTE HOUSE BILL NO. 2263  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.  
 2264  
 HOUSE BILL NO. 2308  
 SUBSTITUTE HOUSE BILL NO. 2313  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2314  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.  
 2319  
 SUBSTITUTE HOUSE BILL NO. 2326  
 HOUSE BILL NO. 2329  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.  
 2337  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2347  
 SUBSTITUTE HOUSE BILL NO. 2349  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2361  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2363  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.  
 2373  
 SECOND SUBSTITUTE HOUSE BILL NO. 2452  
 HOUSE BILL NO. 2482  
 HOUSE BILL NO. 2485  
 HOUSE BILL NO. 2499  
 HOUSE BILL NO. 2535  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2567  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2570  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2582  
 THIRD SUBSTITUTE HOUSE BILL NO. 2585  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2586  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2614  
 SUBSTITUTE HOUSE BILL NO. 2617  
 ENGROSSED HOUSE BILL NO. 2620  
 SUBSTITUTE HOUSE BILL NO. 2640  
 SUBSTITUTE HOUSE BILL NO. 2673  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2692  
 ENGROSSED HOUSE BILL NO. 2771  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2799  
 ENGROSSED SENATE BILL NO. 5159

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.  
 5188  
 SUBSTITUTE SENATE BILL NO. 5217  
 SUBSTITUTE SENATE BILL NO. 5246  
 SECOND SUBSTITUTE SENATE BILL NO. 5343  
 ENGROSSED SENATE BILL NO. 5661  
 SUBSTITUTE SENATE BILL NO. 5982  
 SUBSTITUTE SENATE BILL NO. 5995  
 SUBSTITUTE SENATE BILL NO. 5997  
 SUBSTITUTE SENATE BILL NO. 6041  
 SUBSTITUTE SENATE BILL NO. 6044  
 SUBSTITUTE SENATE BILL NO. 6081  
 SENATE BILL NO. 6082  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6103  
 SUBSTITUTE SENATE BILL NO. 6105  
 SUBSTITUTE SENATE BILL NO. 6116  
 SENATE BILL NO. 6134  
 SUBSTITUTE SENATE BILL NO. 6138  
 SECOND SUBSTITUTE SENATE BILL NO. 6140  
 ENGROSSED SENATE BILL NO. 6155  
 ENGROSSED SENATE BILL NO. 6215  
 SENATE BILL NO. 6223  
 SUBSTITUTE SENATE BILL NO. 6226  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6237  
 SUBSTITUTE SENATE BILL NO. 6240  
 SUBSTITUTE SENATE BILL NO. 6242  
 SUBSTITUTE SENATE BILL NO. 6253  
 ENGROSSED SENATE BILL NO. 6254  
 SENATE BILL NO. 6256  
 ENGROSSED SENATE BILL NO. 6257  
 SECOND SUBSTITUTE SENATE BILL NO. 6263  
 SUBSTITUTE SENATE BILL NO. 6328  
 SUBSTITUTE SENATE BILL NO. 6354  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6355  
 SUBSTITUTE SENATE BILL NO. 6359  
 SUBSTITUTE SENATE BILL NO. 6384  
 SUBSTITUTE SENATE BILL NO. 6386  
 SUBSTITUTE SENATE BILL NO. 6403  
 SENATE BILL NO. 6412  
 SUBSTITUTE SENATE BILL NO. 6414  
 SUBSTITUTE SENATE BILL NO. 6444  
 SUBSTITUTE SENATE BILL NO. 6468  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6486  
 SUBSTITUTE SENATE BILL NO. 6493  
 SUBSTITUTE SENATE BILL NO. 6508  
 SENATE BILL NO. 6545  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6555  
 SUBSTITUTE SENATE BILL NO. 6581  
 ENGROSSED SENATE BILL NO. 6608  
 SENATE JOINT RESOLUTION NO. 8223

The Speaker called upon Representative Moeller to preside.

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

There being no objection, the Committee on Way and Means was relieved of the following bill and the bill was placed on the second reading calendar:

SUBSTITUTE SENATE BILL NO. 6277

There being no objection, the House reverted to the sixth order of business.

**SECOND READING**

**ENGROSSED SENATE BILL NO. 5967, by Senators Murray and Zarelli**

**Making 2011 2nd sp.s. supplemental operating appropriations. (REVISED FOR ENGROSSED: Making 2011-2013 fiscal biennium supplemental operating appropriations. )**

The bill was read the second time.

Representative Hunter moved the adoption of amendment (1344).

Strike everything after the enacting clause and insert the following:

**"PART I**

**GENERAL GOVERNMENT**

**Sec. 101.** 2011 2nd sp.s. c 9 s 101 (uncodified) is amended to read as follows:

**FOR THE HOUSE OF REPRESENTATIVES**

General Fund--State Appropriation (FY 2012)	<del>(\$29,934,000)</del>
\$29,721,000	
General Fund--State Appropriation (FY 2013)	<del>(\$30,465,000)</del>
\$28,153,000	
Motor Vehicle Account--State Appropriation	<del>(\$1,316,000)</del>
\$1,491,000	
<b>TOTAL APPROPRIATION</b>	<del><b>(\$61,715,000)</b></del>
\$59,365,000	

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for a joint select committee on junior taxing districts and local government finance. The joint select committee will be composed of two members from each caucus from the house of representatives and from the senate. The joint select committee shall review junior taxing districts for the purpose of evaluating their provided services and making recommendations on the appropriateness of consolidating services into a general purpose local government. The joint select committee shall also examine new revenue options for local governments. In completing its review and recommendations, the joint select committee shall seek pertinent information and advice from: (1) Organizations representing counties, cities, and junior taxing districts; (2) counties, cities, and junior taxing districts; (3) the department of revenue; and (4) the state auditor.

**Sec. 102.** 2011 2nd sp.s. c 9 s 102 (uncodified) is amended to read as follows:

**FOR THE SENATE**

General Fund--State Appropriation (FY 2012)	<del>(\$21,770,000)</del>
\$21,446,000	
General Fund--State Appropriation (FY 2013)	<del>(\$23,864,000)</del>
\$21,753,000	
Motor Vehicle Account--State Appropriation	<del>(\$1,400,000)</del>
\$1,421,000	
<b>TOTAL APPROPRIATION</b>	<del><b>(\$47,034,000)</b></del>
\$44,620,000	

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for a joint select committee on junior taxing districts and local government finance. The joint select committee will be composed of two members from each caucus from the house of representatives and from the senate. The joint select committee shall review junior taxing districts for the purpose of evaluating their provided services and making recommendations on the appropriateness of consolidating services into a general purpose local government. The joint select committee shall also examine new revenue options for local governments. In completing its review and recommendations, the joint select committee shall seek pertinent information and advice from: (1) Organizations representing counties, cities, and junior taxing districts; (2) counties, cities, and junior taxing districts; (3) the department of revenue; and (4) the state auditor.

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

**FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

General Fund--State Appropriation (FY 2012)	<del>(\$2,680,000)</del>
\$2,589,000	
General Fund--State Appropriation (FY 2013)	<del>(\$2,741,000)</del>
\$2,773,000	
Forest Fire Protection Assessment Account--State Appropriation	\$250,000
Medical Aid Account--State Appropriation	\$85,000
Accident Account--State Appropriation	\$85,000
<b>TOTAL APPROPRIATION</b>	<del><b>(\$5,591,000)</b></del>
\$5,782,000	

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

(1) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2011-13 work plan as necessary to efficiently manage workload.

(2) Within the amounts appropriated in this section, the committee shall conduct a review of the state's workplace safety and health program. The review shall examine workplace safety inspection, enforcement, training, and outreach efforts compared to other states and federal programs; analyze workplace injury and illness rates and trends in Washington; identify factors that may influence workplace safety and health; and identify practices that may improve workplace safety and health and/or impact insurance rates.

(3) Within the amounts appropriated in this section, the committee shall conduct a review of marketing and vendor expenditures and incentive payment programs at the state lottery commission to identify cost savings and efficiencies to maximize contributions to beneficiaries under this act. This review shall include examination of the following:

(a) An analysis of marketing expenses and the impact on ticket sales; the impact to sales of tickets from the change in lottery beneficiaries; the competitive contracting processes for marketing services and vendors and comparison to other states; identification of whether there are duplicative or unproductive marketing activities; and identification of whether savings may occur from changing vendors.

(b) A description of how the employee incentive payment program at the state lottery commission operates, and comparison to best practices for outcome-based performance payments.

(4) \$85,000 of the medical aid account--state appropriation and \$85,000 of the accident account--state appropriation are provided solely for the purposes of House Bill No. 2123 (workers' compensation). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

(5) The joint legislative audit and review committee shall review and provide an update on the extent to which the Puget Sound partnership's 2012 action agenda, state of the sound report, and other activities implement the recommendations of the joint legislative audit and review committee's 2011 audit entitled "Processes required to measure Puget Sound restoration are not yet in place." The update must be provided to the relevant policy committees of the senate and house of representatives by January 1, 2013.

(6)(a) \$250,000 of the forest fire protection assessment account--state appropriation is provided solely for the joint legislative audit and review committee to provide analysis and recommendations to improve the efficiency and effectiveness of the state's mechanisms for funding fire prevention and suppression activities.

(b) The analysis must provide for: (i) Consultation with the appropriate committees of the legislature, the office of financial management, the department of natural resources, and appropriate stakeholders at the onset of the analysis regarding the scope of and timeline for the analysis and recommendations; (ii) by September 1, 2012, development of initial analysis of potential means to improve the efficiency and effectiveness of the state's mechanisms for funding fire prevention and suppression activities, including analysis of such options as the use of private or state insurance, the increased use of revolving accounts, and any examples where those mechanisms have been previously utilized; (iii) following development of the initial analysis under (b)(ii) of this subsection, distribution of the analysis and solicitation of input from the entities identified in (b)(i) of this subsection; and (iv) based on the input under (b)(iii) of this subsection, development of recommendations for implementation of select potential means to improve the efficiency and effectiveness of the state's mechanisms for funding fire prevention and suppression activities, including the necessary steps for implementation and opportunities and risks associated with the identified mechanisms.

(c) By June 30, 2013, and consistent with RCW 43.01.036, the joint legislative audit and review committee must provide a report to the appropriate committees of the legislature, including the analysis and recommendations developed under this subsection.

(7) The joint legislative audit and review committee will assess the costs of the department of fish and wildlife to produce trout to achieve the department's desired freshwater stocking objectives and compare these costs to the costs of the alternatives for producing trout such as contracting for services. As part of its assessment, the committee will consider the following:

(a) The total costs to the department for producing trout at department trout production facilities, by category of trout production, to achieve the department's desired freshwater stocking objectives;

(b) The availability of alternative approaches to trout production, including opportunities to contract with registered aquatic farmers, and the costs of these alternative approaches; and

(c) A review of the experience of other states in contracting or other alternative approaches to trout production.

(d) The committee will complete its assessment and report to the legislature by December 1, 2012.

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

FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

General Fund--State Appropriation (FY 2012) ~~((2,027,000))~~

\$2,025,000

General Fund--State Appropriation (FY 2013) ~~((2,193,000))~~

\$1,720,000

TOTAL APPROPRIATION ~~((4,220,000))~~

\$3,745,000

**Sec. 105.** 2011 1st sp.s. c 50 s 106 (uncodified) is amended to read as follows:

FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund--State Appropriation (FY 2012) ~~((8,016,000))~~

\$8,013,000

General Fund--State Appropriation (FY 2013) ~~((7,911,000))~~

\$7,676,000

TOTAL APPROPRIATION ~~((15,927,000))~~

\$15,689,000

**Sec. 106.** 2011 1st sp.s. c 50 s 105 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE STATE ACTUARY

((General Fund--State Appropriation (FY 2012) \$24,000

General Fund--State Appropriation (FY 2013) \$24,000))

Department of Retirement Systems Expense

Account--State Appropriation ~~((3,344,000))~~

\$3,323,000

((TOTAL APPROPRIATION \$3,392,000))

The appropriations in this section are subject to the following conditions and limitations: \$75,000 of the department of retirement services account--state appropriation is for the state actuary to study the issue of merging the law enforcement officers' and fire fighters' retirement system plans 1 and 2 into a single retirement plan. The department of retirement systems shall assist the state actuary by providing such information and advice as the state actuary requests, and the state actuary may contract for services as needed to conduct the study. The results of the study shall be reported to the ways and means committees of the house of representatives and the senate by December 15, 2011.

(1) Among the issues related to the merger of the law enforcement officers' and fire fighters' retirement system plans 1 and 2 into a single retirement plan that shall be examined:

(a) Changes to the assets available to pay for the benefits of each plan before and after a merger based on a range of possible economic and demographic experience; and

(b) Changes to the projected contributions that might be required of members, employers, and the state based on a range of possible economic and demographic experience and a variety of funding policies, including both continued application of current funding policy to the benefit obligations of each plan, and application of the law enforcement officers' and fire fighters' retirement system plan 2 funding policies to the combined benefits of both plans;

(2) The state actuary shall solicit the input of the law enforcement officers' and fire fighters' retirement system plan 2 retirement board and organizations representing members and retirees of the law enforcement officers' and fire fighters' retirement system plan 1 on the issue of the merger of the two plans, and include representative submissions of the input of the organizations along with the report.

**Sec. 107.** 2011 2nd sp.s. c 9 s 103 (uncodified) is amended to read as follows:

FOR THE STATUTE LAW COMMITTEE

General Fund--State Appropriation (FY 2012) ~~((4,248,000))~~

\$4,245,000

General Fund--State Appropriation (FY 2013) ~~((4,689,000))~~

\$4,523,000

TOTAL APPROPRIATION ~~((8,937,000))~~

\$8,768,000

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

FOR THE REDISTRICTING COMMISSION

General Fund--State Appropriation (FY 2012) \$1,627,000

General Fund--State Appropriation (FY 2013) \$154,000

TOTAL APPROPRIATION \$1,781,000

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

(1) \$443,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for the support of legislative redistricting efforts. The commission shall enter into an interagency agreement

with the house of representatives and the senate for the expenditure of these funds.

(2) The entire general fund--state appropriation for fiscal year 2013 is provided solely for the payment of expenses associated with the cessation of the commission's operations. The secretary of the senate and chief clerk of the house of representatives may jointly authorize the expenditure of these funds.

**NEW SECTION. Sec. 109.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES  
General Fund--State Appropriation (FY 2013) \$3,016,000

**NEW SECTION. Sec. 110.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

LEGISLATIVE AGENCIES

In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, statute law committee, office of legislative support services, and redistricting commission.

**Sec. 111.** 2011 2nd sp.s. c 9 s 104 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2012) ((~~\$6,724,000~~))  
\$6,757,000

General Fund--State Appropriation (FY 2013) ((~~\$6,738,000~~))  
\$6,563,000

TOTAL APPROPRIATION ((~~\$13,462,000~~))  
\$13,320,000

**Sec. 112.** 2011 2nd sp.s. c 9 s 105 (uncodified) is amended to read as follows:

FOR THE LAW LIBRARY

General Fund--State Appropriation (FY 2012) ((~~\$1,506,000~~))  
\$1,504,000

((General Fund--State Appropriation (FY 2013) \$1,466,000))  
Judicial Information System Account--State  
Appropriation \$1,500,000

TOTAL APPROPRIATION ((~~\$2,972,000~~))  
\$3,004,000

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the judicial information system account--state appropriation for fiscal year 2013 is provided solely to evaluate the state law library and assess its operational structure to determine the most effective delivery model for providing library services.

**Sec. 113.** 2011 1st sp.s. c 50 s 112 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund--State Appropriation (FY 2012) ((~~\$1,057,000~~))  
\$1,053,000

General Fund--State Appropriation (FY 2013) ((~~\$991,000~~))  
\$975,000

TOTAL APPROPRIATION ((~~\$2,048,000~~))  
\$2,028,000

**Sec. 114.** 2011 2nd sp.s. c 9 s 106 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund--State Appropriation (FY 2012) ((~~\$15,285,000~~))  
\$15,275,000

General Fund--State Appropriation (FY 2013) ((~~\$15,290,000~~))  
\$15,168,000

TOTAL APPROPRIATION ((~~\$30,575,000~~))  
\$30,443,000

**Sec. 115.** 2011 2nd sp.s. c 9 s 107 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund--State Appropriation (FY 2012) ((~~\$50,692,000~~))  
\$50,725,000

General Fund--State Appropriation (FY 2013) ((~~\$50,235,000~~))  
\$48,434,000

General Fund--Federal Appropriation \$2,532,000

General Fund--Private/Local Appropriation \$390,000

Judicial Information Systems Account--State  
Appropriation ((~~\$42,414,000~~))

\$42,362,000

Judicial Stabilization Trust Account--State

Appropriation ((~~\$5,414,000~~))

\$5,954,000

TOTAL APPROPRIATION ((~~\$151,677,000~~))

\$150,397,000

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

(1) \$1,800,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$1,800,000~~)) \$1,399,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(2)(a) \$8,252,000 of the general fund--state appropriation for fiscal year 2012 and ((~~\$8,253,000~~)) \$7,313,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2011-2013 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives and senate ways and means committees no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(3) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

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

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

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

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

(8) \$540,000 of the judicial stabilization trust account--state appropriation is provided solely for the office of public guardianship to continue guardianship services for those low-income incapacitated persons who were receiving services on June 30, 2012.

(9) The Washington association of juvenile court administrators and the juvenile rehabilitation administration, in consultation with the community juvenile accountability act advisory committee and the Washington state institute for public policy, shall analyze and review data elements available from the administrative office of the courts for possible integration into the evidence-based program quality assurance plans and processes. The administrative office of the courts, the Washington association of juvenile court administrators, and the juvenile rehabilitation administration shall provide information necessary to complete the review and analysis. The Washington association of juvenile court administrators and the juvenile rehabilitation administration shall report the findings of their review and analysis, as well as any recommendations, to the legislature by December 1, 2012.

**Sec. 116.** 2011 2nd sp.s. c 9 s 108 (uncodified) is amended to read as follows:

FOR THE OFFICE OF PUBLIC DEFENSE	
General Fund--State Appropriation (FY 2012)	<del>((25,030,000))</del>
\$25,025,000	
General Fund--State Appropriation (FY 2013)	<del>((24,972,000))</del>
\$29,138,000	
Judicial Stabilization Trust Account--State	
Appropriation	<del>((2,490,000))</del>
<u>\$4,368,000</u>	
TOTAL APPROPRIATION	<del>((52,492,000))</del>
\$58,531,000	

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

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

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

the Washington association of criminal defense lawyers, the administrative office of the courts, the superior court judges association, the office of the attorney general, the King county prosecuting attorney, the Washington association of counties, and the department of social and health services. At a minimum, the proposal should identify:

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

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

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

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

(3) \$6,065,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement Substitute Senate Bill No. 6493 (sexual predator commitment). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 117.** 2011 1st sp.s. c 50 s 115 (uncodified) is amended to read as follows:

FOR THE OFFICE OF CIVIL LEGAL AID	
General Fund--State Appropriation (FY 2012)	<del>((11,038,000))</del>
\$11,037,000	
General Fund--State Appropriation (FY 2013)	<del>((11,048,000))</del>
\$10,555,000	
Judicial Stabilization Trust Account--State	
Appropriation	<del>((1,093,000))</del>
\$2,073,000	
TOTAL APPROPRIATION	<del>((23,179,000))</del>
\$23,665,000	

The appropriations in this section are subject to the following conditions and limitations: An amount not to exceed \$40,000 of the general fund--state appropriation for fiscal year 2012 and an amount not to exceed \$40,000 of the general fund--state appropriation for fiscal year 2013 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2) (a) through (k) regardless of household income or asset level.

**Sec. 118.** 2011 2nd sp.s. c 9 s 109 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE GOVERNOR	
General Fund--State Appropriation (FY 2012)	<del>((5,311,000))</del>
\$5,102,000	
General Fund--State Appropriation (FY 2013)	<del>((5,292,000))</del>
\$5,247,000	
Economic Development Strategic Reserve Account--State	
Appropriation	\$1,500,000
TOTAL APPROPRIATION	<del>((12,103,000))</del>
\$11,849,000	

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

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

(2) ~~((547,000))~~ \$540,000 of the general fund--state appropriation for fiscal year 2012 and ~~((547,000))~~ \$526,000 of the general fund--

state appropriation for fiscal year 2013 are provided solely for the office of the education ombudsman.

**Sec. 119.** 2011 1st sp.s. c 50 s 117 (uncodified) is amended to read as follows:

FOR THE LIEUTENANT GOVERNOR  
 General Fund--State Appropriation (FY 2012)      ((~~\$687,000~~))  
     \$650,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$698,000~~))  
     \$651,000  
 General Fund--Private/Local Appropriation \$90,000  
     TOTAL APPROPRIATION      ((~~\$1,475,000~~))  
     \$1,391,000

**Sec. 120.** 2011 2nd sp.s. c 9 s 110 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION  
 General Fund--State Appropriation (FY 2012)      ((~~\$2,106,000~~))  
     \$2,009,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$2,129,000~~))  
     \$1,948,000  
     TOTAL APPROPRIATION      ((~~\$4,235,000~~))  
     \$3,957,000

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

**Sec. 121.** 2011 2nd sp.s. c 9 s 111 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE  
 General Fund--State Appropriation (FY 2012)      ((~~\$16,014,000~~))  
     \$16,047,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$12,862,000~~))  
     \$8,613,000  
 General Fund--Federal Appropriation      ((~~\$7,338,000~~))  
     \$7,326,000  
 Public Records Efficiency, Preservation, and Access  
     Account--State Appropriation      ((~~\$7,950,000~~))  
     \$7,077,000  
 Charitable Organization Education Account--State  
     Appropriation      ((~~\$452,000~~))  
     \$362,000  
 Local Government Archives Account--State  
     Appropriation      ((~~\$10,557,000~~))  
     \$8,516,000  
 Election Account--Federal Appropriation      ((~~\$17,288,000~~))  
     \$17,284,000  
 Washington State Heritage Center Account--State  
     Appropriation      ((~~\$1,028,000~~))  
     \$5,028,000  
     TOTAL APPROPRIATION      ((~~\$73,489,000~~))  
     \$70,253,000

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

(1) \$3,898,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2)(a) \$1,847,000 of the general fund--state appropriation for fiscal year 2012 and \$1,926,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television

coverage of state government deliberations and other events of statewide significance during the 2011-2013 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

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

**Sec. 122.** 2011 1st sp.s. c 50 s 120 (uncodified) is amended to read as follows:

FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS  
 General Fund--State Appropriation (FY 2012)      ((~~\$259,000~~))  
     \$247,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$267,000~~))  
     \$250,000  
     TOTAL APPROPRIATION      ((~~\$526,000~~))  
     \$497,000

The appropriations in this section are subject to the following conditions and limitations: The office shall assist the department of enterprise services on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of enterprise services shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**Sec. 123.** 2011 2nd sp.s. c 9 s 112 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS  
 General Fund--State Appropriation (FY 2012)      ((~~\$236,000~~))  
     \$224,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$219,000~~))  
     \$203,000  
     TOTAL APPROPRIATION      ((~~\$455,000~~))  
     \$427,000

**Sec. 124.** 2011 2nd sp.s. c 9 s 113 (uncodified) is amended to read as follows:

## FOR THE STATE TREASURER

State Treasurer's Service Account--State

Appropriation ((~~\$14,994,000~~))

\$13,706,000

**Sec. 125.** 2011 2nd sp.s. c 9 s 114 (uncodified) is amended to

read as follows:

## FOR THE STATE AUDITOR

State Auditing Services Revolving Account--State

Appropriation ((~~\$10,293,000~~))

\$9,209,000

Performance Audit of Government Account--State

Appropriation \$1,461,000

TOTAL APPROPRIATION ((~~\$11,754,000~~))

\$10,670,000

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

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

(2) \$1,461,000 of the performance audits of government account appropriation is provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

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

**Sec. 126.** 2011 1st sp.s. c 50 s 124 (uncodified) is amended to read as follows:

## FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund--State Appropriation (FY 2012) ((~~\$158,000~~))

\$143,000

General Fund--State Appropriation (FY 2013) ((~~\$195,000~~))

\$184,000

TOTAL APPROPRIATION ((~~\$353,000~~))

\$327,000

**Sec. 127.** 2011 2nd sp.s. c 9 s 115 (uncodified) is amended to read as follows:

## FOR THE ATTORNEY GENERAL

General Fund--State Appropriation (FY 2012) \$4,758,000

General Fund--State Appropriation (FY 2013) ((~~\$2,727,000~~))

\$7,690,000

General Fund--Federal Appropriation ((~~\$8,819,000~~))

\$10,015,000

New Motor Vehicle Arbitration Account--State

Appropriation ((~~\$972,000~~))

\$968,000

Legal Services Revolving Account--State

Appropriation ((~~\$206,617,000~~))

\$194,494,000

Tobacco Prevention and Control Account--State

Appropriation \$270,000

Medicaid Fraud Penalty Account--State Appropriation

\$1,129,000

TOTAL APPROPRIATION ((~~\$224,163,000~~))

\$219,324,000

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

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on ways and means.

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

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

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

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

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

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

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

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

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

(12) The executive ethics board shall: (a) Develop a statewide plan, with performance measures, to provide overall direction and

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

(13) \$11,000 of the legal services revolving fund--state appropriation is provided solely to implement House Bill No. 2301 (boxing, martial arts, wrestling). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(14) \$28,000 of the legal services revolving fund--state appropriation is provided solely to implement House Bill No. 2253 (state environmental policy act). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(15) \$56,000 of the legal services revolving fund--state appropriation is provided solely to implement House Bill No. 2319 (affordable care act). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(16) \$5,743,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the legal costs associated with the evaluation, filing, prosecution, response to petitions for release, and appeal of sexually violent predator civil commitment cases, as provided in chapter 71.09 RCW. Within the amount provided in this subsection, the attorney general may enter into an interagency agreement with a county prosecutor to perform prosecution services pursuant to chapter 71.09 RCW.

(17) \$94,000 of the legal services revolving fund--state appropriation is provided solely to implement Senate Bill No. 6103 (reflexology and massage therapy). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(18) \$47,000 of the legal services revolving fund--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6406 (state natural resources). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(19) \$57,000 of the legal services revolving fund--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6237 (medical assistants). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(20) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud) is not enacted by June 30, 2012, the amounts appropriated in this section from the medicaid fraud penalty account--state appropriation shall lapse and an additional \$730,000 shall be appropriated from the general fund--state for fiscal year 2013 for fraud detection and prevention activities, recovery of improper payments, and for other medicaid fraud enforcement activities.

**Sec. 128.** 2011 2nd sp.s. c 9 s 116 (uncodified) is amended to read as follows:

**FOR THE CASELOAD FORECAST COUNCIL**

General Fund--State Appropriation (FY 2012)	<del>(\$1,310,000)</del>
\$1,238,000	
General Fund--State Appropriation (FY 2013)	<del>(\$1,309,000)</del>
\$1,219,000	
<b>TOTAL APPROPRIATION</b>	<del>(\$2,619,000)</del>
\$2,457,000	

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

(1) The appropriations in this section include funding for activities transferred from the sentencing guidelines commission to the caseload forecast council pursuant to Engrossed Substitute Senate

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

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

**Sec. 129.** 2011 2nd sp.s. c 9 s 117 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMERCE**

General Fund--State Appropriation (FY 2012)	<del>(\$57,261,000)</del>
\$56,811,000	
General Fund--State Appropriation (FY 2013)	<del>(\$72,459,000)</del>
\$73,379,000	
General Fund--Federal Appropriation	<del>(\$282,185,000)</del>
\$338,592,000	
General Fund--Private/Local Appropriation	<del>(\$4,989,000)</del>
\$4,936,000	
Public Works Assistance Account--State	
Appropriation	<del>(\$2,764,000)</del>
\$2,733,000	
Drinking Water Assistance Administrative	
Account--State Appropriation	\$437,000
Lead Paint Account--State Appropriation	\$65,000
Building Code Council Account--State Appropriation	\$13,000
Home Security Fund Account--State Appropriation	<del>(\$16,652,000)</del>
\$21,007,000	
Affordable Housing for All Account--State	
Appropriation	<del>(\$11,902,000)</del>
\$11,899,000	
County Research Services Account--State	
Appropriation	<del>(\$1,081,000)</del>
\$541,000	
Financial Fraud and Identity Theft Crimes Investigation	
and Prosecution Account--State Appropriation	\$1,166,000
Low-Income Weatherization Assistance Account--State	
Appropriation	<del>(\$5,778,000)</del>
\$2,427,000	
City and Town Research Services Account--State	
Appropriation	<del>(\$5,166,000)</del>
\$2,579,000	
(Manufacturing Innovation and Modernization	
Account--State Appropriation	\$61,000)
Community and Economic Development Fee Account--State	
Appropriation	<del>(\$6,488,000)</del>
\$6,781,000	
Washington Housing Trust Account--State	
Appropriation	<del>(\$17,498,000)</del>
\$17,444,000	
Prostitution Prevention and Intervention Account--	
State Appropriation	\$86,000
Public Facility Construction Loan Revolving	
Account--State Appropriation	<del>(\$755,000)</del>
\$748,000	
Washington Community Technology Opportunity Account--	
State Appropriation	\$713,000
Liquor Revolving Account--State Appropriation	\$2,315,000
<b>TOTAL APPROPRIATION</b>	<del>(\$487,519,000)</del>
\$544,672,000	

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

(1) Repayments of outstanding mortgage and rental assistance program loans administered by the department under RCW 43.63A.640 shall be remitted to the department, including any current revolving account balances. The department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

(2) \$500,000 of the general fund--state appropriation for fiscal year 2012 and \$500,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a grant to resolution Washington to building statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(3) \$306,000 of the general fund--state appropriation for fiscal year 2012 and \$306,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a grant to the retired senior volunteer program.

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

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

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

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

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

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

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

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

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

(13) (~~(\$260,000)~~) \$234,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$259,000)~~) \$233,000 of the

general fund-- state appropriation for fiscal year 2013 are provided solely for the Washington asset building coalitions.

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

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

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

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

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

(b) Of the amounts provided in this subsection, (~~(\$30,000,000)~~) \$60,000,000 is provided solely for housing support services to individuals who are homeless or who may become homeless, and are eligible for services under this program pursuant to Engrossed Substitute House Bill No. 2082.

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

(18) \$4,380,000 of the home security fund--state appropriation is provided solely for the department to provide homeless housing services in accordance with Engrossed Substitute House Bill No. 2048 (housing assistance surcharges). If Engrossed Substitute House Bill No. 2048 (housing assistance surcharges) is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

(19) \$85,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the developmental disabilities council to contract for a family-to-family mentor program to provide

information and support to families and guardians of persons who are transitioning out of residential habilitation centers. To the maximum extent allowable under federal law, these funds shall be matched under medicaid through the department of social and health services and federal funds shall be transferred to the department for the purposes stated in this subsection.

(20) \$484,000 of the general fund--state appropriation for fiscal year 2013 and \$2,315,000 of the liquor revolving account--state appropriation are provided solely for the department to contract with the municipal research and services center of Washington.

(21) \$1,000,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for deposit in the shelter to housing project account, hereby created in the custody of the state treasurer as a nonappropriated account. The department may expend funds from the account solely for a two-year pilot project to enable young adults to move from temporary emergency shelter housing to transitional and permanent housing throughout King county. The pilot project will be administered under contract with the YMCA of greater Seattle in collaboration with the rising out of the shadows young adult shelter. Funding may be used for case management, housing subsidy, transportation, shelter services, training and evaluation. The pilot project and the shelter to housing project account expire December 31, 2014.

(22) \$12,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement Engrossed Second Substitute Senate Bill No. 5292 (irrigation and port districts). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 130.** 2011 1st sp.s. c 50 s 128 (uncodified) is amended to read as follows:

FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL  
 General Fund--State Appropriation (FY 2012)      ((~~\$674,000~~))  
     \$648,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$728,000~~))  
     \$699,000  
 Lottery Administrative Account--State Appropriation \$50,000  
     TOTAL APPROPRIATION      ((~~\$1,452,000~~))  
     \$1,397,000

**Sec. 131.** 2011 2nd sp.s. c 9 s 118 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT  
 General Fund--State Appropriation (FY 2012)      ((~~\$18,627,000~~))  
     \$18,344,000  
 General Fund--State Appropriation (FY 2013)      ((~~\$18,851,000~~))  
     \$18,367,000  
 General Fund--Federal Appropriation      ((~~\$31,534,000~~))  
     \$31,530,000  
 General Fund--Private/Local Appropriation((~~\$1,270,000~~))  
     \$1,370,000  
 Performance Audits of Government Account--State  
     Appropriation      ((~~\$25,000~~))  
     \$198,000  
 Economic Development Strategic Reserve Account--State  
     Appropriation      \$280,000  
 Department of Personnel Services--State  
     Appropriation      ((~~\$7,827,000~~))  
     \$8,551,000  
 Data Processing Revolving Account--State  
     Appropriation      ((~~\$5,208,000~~))  
     \$5,910,000  
 Higher Education Personnel Services Account--State  
     Appropriation      \$1,537,000  
 Aquatic Lands Enhancement Account--State Appropriation  
     \$100,000  
     TOTAL APPROPRIATION      ((~~\$85,259,000~~))  
     \$86,187,000

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

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

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

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

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

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

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

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

(iii) Tribal treaty interests;

(iv) Fish and wildlife species and their habitats;

(v) Land use and public safety needs;

(vi) Recreational opportunities for the general public;

(vii) Historic and archaeological resources; and

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

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

(c) The office of financial management may use its own staff and other public agency and tribal staff or contract for services, and may create a work group of knowledgeable agencies, organizations, and individuals to assist in preparing the report.

(d) The office of financial management shall engage in broad consultation with interested parties, including, but not limited to:

(i) Federal agencies with relevant responsibilities;

(ii) Tribal governments;

(iii) State agencies;

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

(v) Interested private organizations and individuals.

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

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

pursuant to the expenditure authority schedule produced by the office of financial management in accordance with chapter 43.88 RCW.

(5) \$23,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the office of regulatory assistance to implement the following:

(a) Coordination of an agency small business liaison team to assist small businesses with permitting and regulatory issues. The small business liaison team, as part of the biennial report submitted by the office of regulatory assistance, must provide recommendations for improvements to inspection and compliance practices and ways to improve customer service for regulatory agencies. The office must work with regulatory agencies to: (i) Assure that additional violations or corrective actions that could have been discovered and noted in the original violation or correction notice are not subsequently added and to provide a single list of any violations discovered during the regulatory visit or inspection; (ii) provide notice about when the business may expect the results of a technical assistance or regulatory visit; (iii) provide information about how the business may provide anonymous feedback regarding a technical assistance or other regulatory visit; and (iv) provide information regarding the role of the agency's small business liaison as a neutral party within the agency, as well as contact information for the liaison.

(b) In coordination with regulatory agencies, development of an anonymous customer service survey that regulated entities may complete after an inspection or a technical assistance visit under chapter 43.05 RCW, or a consultative visit under RCW 49.17.250. The survey must include questions addressing the points in this subsection (b) but may be designed in a way that best serves the needs of the multiple agencies and customers that will be using the survey. The survey must provide a way of identifying the agency that performed the inspection, and if possible within the resources allowed, provide a means of identifying the inspector who provided services. Questions should address the following topics:

(i) Whether staff were helpful, friendly, listened to the regulated party, used professional judgment, and communicated clearly;

(ii) Whether the inspector viewed the customer as a partner, worked on a cooperative relationship, and worked on innovative solutions;

(iii) Whether the inspector informed the customer why the customer received a site visit or inspection, described the site visit or inspection process, answered questions about the process, and explained regulatory requirements; and

(iv) Whether the inspector was knowledgeable about the businesses operations and provided useful technical information.

The survey must be available on the office web site. The results of the surveys must be summarized, by agency, in a report and forwarded to the agency director, the governor, and the appropriate committees of the legislature. Each agency shall receive a copy of all relevant survey information. No identifying information may be included that would reveal the identity of the respondent.

(6) \$115,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of Engrossed Substitute House Bill No. 2483 (higher education coordination). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(7)(a) The office of financial management shall determine if cost savings can be achieved by the state through contracting for interpreter services more effectively. The office of financial management must work with all state agencies that use interpreter services to determine:

(i) How agencies currently procure interpreter services;

(ii) To what degree brokers or foreign language agencies are used in the acquisition of interpreter services; and

(iii) The cost of interpreter services as currently provided.

(b) The office of financial management, in consultation with the department of enterprise services, must also examine approaches to

procuring interpreter services, including using the department of enterprise services' master contract, limiting overhead costs associated with interpreter contracts, and direct scheduling of interpreters. The report must include recommendations for the state to procure services in a more consistent and cost-effective manner.

(c) The office of financial management, in consultation with the department of labor and industries, must determine the impact that any alternative approach to procuring interpreter services will have on medical providers.

(d) The report must include:

(i) Analysis of the current process for procuring interpreter services;

(ii) Recommendations regarding options to make obtaining interpreter services more consistent and cost-effective; and

(iii) Estimates for potential cost savings.

(e) The office of financial management must report to the fiscal committees of the legislature by December 1, 2012.

**Sec. 132.** 2011 2nd sp.s. c 9 s 119 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account--State

Appropriation ~~((34,043,000))~~

\$35,703,000

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

**Sec. 133.** 2011 2nd sp.s. c 9 s 120 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account--State

Appropriation ~~((25,709,000))~~

\$24,691,000

**Sec. 134.** 2011 1st sp.s. c 50 s 132 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund--State Appropriation (FY 2012) ~~((246,000))~~

\$233,000

General Fund--State Appropriation (FY 2013) ~~((250,000))~~

\$234,000

TOTAL APPROPRIATION ~~((496,000))~~

\$467,000

**Sec. 135.** 2011 1st sp.s. c 50 s 133 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund--State Appropriation (FY 2012) ~~((239,000))~~

\$219,000

General Fund--State Appropriation (FY 2013) ~~((238,000))~~

\$226,000

TOTAL APPROPRIATION ~~((477,000))~~

\$445,000

**Sec. 136.** 2011 2nd sp.s. c 9 s 121 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS

Department of Retirement Systems Expense

Account--State Appropriation ~~((47,049,000))~~

\$46,511,000

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

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

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

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

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

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

(5) \$32,000 of the department of retirement systems--state appropriation is provided solely for the administrative costs associated with implementation of Engrossed Senate Bill No. 5159 (state patrol retirement system service credit). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 137.** 2011 2nd sp.s. c 9 s 122 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE

General Fund--State	Appropriation	(FY 2012)	
			<del>(\$100,927,000)</del>
			\$100,694,000
General Fund--State	Appropriation	(FY 2013)	
			<del>(\$100,801,000)</del>
			\$99,220,000
Timber Tax Distribution Account--State	Appropriation		
			<del>(\$5,940,000)</del>
			\$5,900,000
Waste Reduction/Recycling/Litter Control--State	Appropriation		\$129,000
Waste Tire Removal Account--State	Appropriation		\$2,000
State Toxics Control Account--State	Appropriation		\$87,000
Oil Spill Prevention Account--State	Appropriation		\$19,000
Master License Fund--State	Appropriation		<del>(\$14,012,000)</del>
			\$13,922,000
Vehicle License Fraud Account--State	Appropriation		\$5,000
Performance Audits of Government Account--State	Appropriation		\$3,188,000
	TOTAL APPROPRIATION		<del>(\$225,140,000)</del>
			\$223,166,000

**Sec. 138.** 2011 1st sp.s. c 50 s 137 (uncodified) is amended to read as follows:

FOR THE BOARD OF TAX APPEALS

General Fund--State	Appropriation (FY 2012)	<del>(\$1,241,000)</del>
		\$1,200,000
General Fund--State	Appropriation (FY 2013)	<del>(\$1,219,000)</del>
		\$1,139,000
	TOTAL APPROPRIATION	<del>(\$2,460,000)</del>
		\$2,339,000

**Sec. 139.** 2011 2nd sp.s. c 9 s 123 (uncodified) is amended to read as follows:

FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

OMWBE Enterprises Account--State	Appropriation	<del>(\$3,264,000)</del>
		\$3,654,000

**Sec. 140.** 2011 2nd sp.s. c 9 s 125 (uncodified) is amended to read as follows:

FOR THE INSURANCE COMMISSIONER

General Fund--Federal	Appropriation	<del>(\$4,452,000)</del>
		\$4,450,000
Insurance Commissioners Regulatory Account--State	Appropriation	<del>(\$47,514,000)</del>
		\$48,015,000
	TOTAL APPROPRIATION	<del>(\$51,966,000)</del>
		\$52,465,000

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

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

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

(3) \$758,000 of the insurance commissioner's regulatory account--state appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 2319 (affordable care act). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 141.** 2011 1st sp.s. c 50 s 136 (uncodified) is amended to read as follows:

FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account--State

Appropriation	<del>(\$29,256,000)</del>
	\$29,076,000

**Sec. 142.** 2011 2nd sp.s. c 9 s 128 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

Liquor Control Board Construction and Maintenance

Account--State	Appropriation	<del>(\$10,081,000)</del>
		\$3,063,000

Liquor Revolving Account--State	Appropriation	<del>(\$176,238,000)</del>
		\$171,974,000

General Fund--Federal	Appropriation	<del>(\$120,000)</del>
		\$945,000

General Fund--Private/Local Appropriation \$25,000

	TOTAL APPROPRIATION	<del>(\$186,439,000)</del>
		\$176,007,000

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

(1) The legislature intends to facilitate the orderly transition of liquor services as required by Initiative Measure No. 1183. For liquor control board employees that remain through June 15, 2012, a temporary opportunity to cash out sick leave is provided to assist the unique challenges to the liquor control board and its employees posed by this transition.

(2) Within the amounts appropriated in this section from the liquor revolving account--state appropriation, liquor control board employees who: (a) Occupy positions in the job classifications provided in subsection (3)(c) of this section that will be eliminated after the liquor control board ceases to distribute liquor; and (b) remain as liquor control board employees through June 15, 2012, and who separate from service due to lay off by October 1, 2012, may elect to receive remuneration for their entire sick leave balance at a rate equal to one day's current monetary compensation of the employee for each four full days of accrued sick leave.

(3) The following conditions apply to sick leave cash out under this subsection:

(a) The rate of monetary compensation for the purposes of this subsection shall not be reduced by any temporary salary reduction;

(b) Remuneration or benefits received under this subsection shall not be included for the purpose of computing a retirement allowance

under any public retirement system in this state;  
 (c) The following job classifications are eligible:  
 (i) Liquor store clerk;  
 (ii) Retail assistant store manager 1;  
 (iii) Retail assistant store manager 2;  
 (iv) Retail store manager 3;  
 (v) Retail store manager 4;  
 (vi) Retail district manager;  
 (vii) Retail operations manager;  
 (viii) Director of retail services;  
 (ix) Director of distribution center;  
 (x) Director of purchasing;  
 (xi) Director of business enterprise;  
 (xii) Warehouse operator 1;  
 (xiii) Warehouse operator 2;  
 (xiv) Warehouse operator 3; and  
 (xv) Warehouse operator 4; and

(d) Should the legislature revoke any remuneration or benefits granted under this section, an affected employee shall not be entitled thereafter to receive such benefits as a matter of contractual right.

**Sec. 143.** 2011 2nd sp.s. c 9 s 129 (uncodified) is amended to read as follows:

FOR THE UTILITIES AND TRANSPORTATION COMMISSION  
 General Fund--Federal Appropriation \$502,000  
 General Fund--Private/Local Appropriation ~~(\$11,175,000)~~  
 \$11,166,000  
 Public Service Revolving Account--State  
 Appropriation ~~(\$30,992,000)~~  
 \$30,873,000  
 Pipeline Safety Account--State Appropriation ~~(\$3,201,000)~~  
 \$3,183,000  
 Pipeline Safety Account--Federal Appropriation ~~(\$2,848,000)~~  
 \$2,844,000  
 TOTAL APPROPRIATION ~~(\$48,718,000)~~  
 \$48,568,000

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

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

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

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

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

**Sec. 144.** 2011 2nd sp.s. c 9 s 130 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT  
 General Fund--State Appropriation (FY 2012) ~~(\$7,175,000)~~  
 \$7,122,000  
 General Fund--State Appropriation (FY 2013) ~~(\$7,175,000)~~  
 \$6,971,000  
 General Fund--Federal Appropriation ~~(\$159,181,000)~~  
 \$159,075,000  
 Enhanced 911 Account--State Appropriation ~~(\$46,556,000)~~  
 \$48,620,000  
 Disaster Response Account--State Appropriation ~~(\$17,933,000)~~  
 \$23,119,000  
 Disaster Response Account--Federal Appropriation ~~(\$66,266,000)~~

\$91,368,000  
 Military Department Rent and Lease Account--State  
 Appropriation \$615,000  
 Worker and Community Right-to-Know Account--State  
 Appropriation ~~(\$2,165,000)~~  
 \$2,163,000  
 TOTAL APPROPRIATION ~~(\$307,066,000)~~  
 \$339,053,000

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

(1) \$18,018,000 of the disaster response account--state appropriation and \$66,266,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report to the office of financial management and the legislative fiscal committees on October 1st and February 1st of each year detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2011-2013 biennium based on current revenue and expenditure patterns.

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

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

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

**Sec. 145.** 2011 2nd sp.s. c 9 s 131 (uncodified) is amended to read as follows:

FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION  
 General Fund--State Appropriation (FY 2012) ~~(\$2,346,000)~~  
 \$2,104,000  
 General Fund--State Appropriation (FY 2013) ~~(\$2,400,000)~~  
 \$2,133,000  
 Higher Education Personnel Services Account--State  
 Appropriation ~~(\$251,000)~~  
 \$276,000  
 Department of Personnel Service Account--State  
 Appropriation ~~(\$3,309,000)~~  
 \$3,290,000  
 TOTAL APPROPRIATION ~~(\$8,306,000)~~  
 \$7,803,000

**Sec. 146.** 2011 2nd sp.s. c 9 s 126 (uncodified) is amended to read as follows:

FOR THE BOARD OF ACCOUNTANCY  
 Certified Public Accountants' Account--State  
 Appropriation ~~(\$2,808,000)~~  
 \$2,647,000

**Sec. 147.** 2011 1st sp.s. c 50 s 142 (uncodified) is amended to read as follows:

FOR THE FORENSIC INVESTIGATION COUNCIL  
 Death Investigations Account--State Appropriation ~~(\$286,000)~~  
 \$490,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the death investigations account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these

funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

**Sec. 148.** 2011 2nd sp.s. c 9 s 127 (uncodified) is amended to read as follows:

**FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account--State

Appropriation ~~(((\$4,007,000))~~  
\$3,963,000

**Sec. 149.** 2011 2nd sp.s. c 9 s 132 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

General Fund--State Appropriation (FY 2012) ~~(((\$3,501,000))~~  
\$3,401,000

General Fund--State Appropriation (FY 2013) ~~(((\$3,495,000))~~  
\$3,309,000

General Fund--Federal Appropriation \$177,000

General Fund--Private/Local Appropriation \$368,000

Building Code Council Account--State Appropriation ~~(((\$1,187,000))~~  
\$1,186,000

Department of Personnel Service Account--State

Appropriation ~~(((\$11,119,000))~~  
\$11,117,000

Enterprise Services Account--State Appropriation ~~(((\$26,540,000))~~  
\$26,403,000

**TOTAL APPROPRIATION** ~~(((\$46,387,000))~~  
\$45,961,000

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

(1) The appropriations in this section are for the operations and expenses of the department of enterprise services as established by Engrossed Substitute Senate Bill No. 5931 (central service functions of state government), effective October 1, 2011. Prior to October 1, 2011, the appropriations in this section may be expended for the continued operations and expenses of the office of financial management, the department of general administration, the department of information services, and the department of personnel, pursuant to the expenditure authority schedules produced by the office of financial management, in accordance with chapter 43.88 RCW.

(2) ~~(((\$3,090,000))~~ \$3,028,000 of the general fund--state appropriation for fiscal year 2012 and ~~(((\$3,090,000))~~ \$2,967,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the payment of facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, and joint legislative systems committee. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

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

(4) The building code council account appropriation is provided solely for the operation of the state building code council as required by statute and modified by the standards established by executive order 10-06. The council shall not consider any proposed code amendment or take any other action not authorized by statute or in compliance with the standards established in executive order 10-06. No member of the council may receive compensation, per diem, or

reimbursement for activities other than physical attendance at those meetings of the state building code council or the council's designated committees, at which the opportunity for public comment is provided generally and on all agenda items upon which the council proposes to take action.

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

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

(7) The department of enterprise services shall purchase flags needed for ceremonial occasions on the capitol campus in order to fully represent the countries that have an international consulate in Washington state.

**Sec. 150.** 2011 1st sp.s. c 50 s 147 (uncodified) is amended to read as follows:

**FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers'

Administrative Account--State Appropriation ~~(((\$1,064,000))~~  
\$1,039,000

**Sec. 151.** 2011 1st sp.s. c 50 s 151 (uncodified) is amended to read as follows:

**FOR INNOVATE WASHINGTON**

General Fund--State Appropriation (FY 2012) ~~(((\$2,999,000))~~  
\$2,879,000

General Fund--State Appropriation (FY 2013) ~~(((\$3,011,000))~~  
\$2,773,000

**TOTAL APPROPRIATION** ~~(((\$6,010,000))~~  
\$5,652,000

The appropriations in this section are subject to the following conditions and limitations: \$65,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the implementation of Substitute Senate Bill No. 5982 (aerospace technology innovation). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 152.** 2011 1st sp.s. c 50 s 149 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

Washington State Heritage Center Account--State

Appropriation ~~(((\$2,517,000))~~  
\$2,487,000

General Fund--Federal Appropriation ~~(((\$1,908,000))~~  
\$1,904,000

General Fund--Private/Local Appropriation \$14,000

**TOTAL APPROPRIATION** ~~(((\$4,439,000))~~  
\$4,405,000

(End of part)

**PART II**

**HUMAN SERVICES**

**Sec. 201.** 2011 2nd sp.s. c 9 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not

include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under ~~((this))~~ the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 213 of this act as may be necessary to finance a unified health care plan for the WMIP and the MICP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons, nor expand beyond one county during the 2011-2013 fiscal biennium. The amount of funding assigned from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled, times the number of clients enrolled. In implementing the WMIP and the MICP, the health care authority and the department may: ~~((a))~~ (i) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for enrolled individuals; and ~~((b))~~ (ii) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The health care authority and the department shall conduct an evaluation of the WMIP~~(?)~~ by October 15, 2012, and of the MICP measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(b) Effective January 1, 2013, if Washington has been selected to participate in phase two of the federal demonstration project for persons dually-eligible for both medicare and medicaid, the department and the authority may initiate the MICP. Participation in the project shall be limited to persons who are eligible for both medicare and medicaid and to counties in which the county legislative authority has agreed to the terms and conditions under which it will operate. The purpose of the project shall be to demonstrate and evaluate ways to improve care while reducing state expenditures for persons enrolled both in medicare and medicaid. To that end, prior to initiating the project, the department and the authority shall assure that state expenditures shall be no greater on either a per person or total basis than the state would otherwise incur.

(4) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and

will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(5) The department shall to the maximum extent practicable use the same system for delivery of spoken-language interpreter services for social services appointments as the one established for medical appointments in section 213 of this act. When contracting directly with an individual to deliver spoken language interpreter services, the department shall only contract with language access providers who are working at a location in the state and who are state-certified or state-authorized, except that when such a provider is not available, the department may use a language access provider who meets other certifications or standards deemed to meet state standards, including interpreters in other states.

(6)(a) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2012, unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2012 among programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in ~~(b)~~ (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2012 caseload forecasts and utilization assumptions in the long-term care, foster care, adoptions support, medicaid personal care, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

**Sec. 202.** 2011 2nd sp.s. c 9 s 202 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM			
General Fund--State	Appropriation	(FY	2012)
			<del>(\$295,011,000)</del>
			\$287,014,000
General Fund--State	Appropriation	(FY	2013)
			<del>(\$294,232,000)</del>
			\$285,018,000
General Fund--Federal	Appropriation		<del>(\$487,912,000)</del>
			\$479,315,000
General Fund--Private/Local	Appropriation		<del>(\$1,358,000)</del>
			\$1,354,000
Home Security Fund--State	Appropriation		\$10,741,000
Domestic Violence Prevention Account--State	Appropriation		<del>(\$1,154,000)</del>
			\$1,240,000
Education Legacy Trust Account--State	Appropriation		\$725,000
			TOTAL APPROPRIATION <del>(\$1,091,133,000)</del>
			\$1,065,407,000

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

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

(2) \$668,000 of the general fund--state appropriation for fiscal year 2012 and \$668,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract. The department shall collaborate with the pediatric interim care center to determine if and how the center could be appropriately incorporated into the performance-based contract model and report its findings to the legislature by December 1, 2012.

(3)(a) (~~(\$85,202,000)~~) \$80,887,000 of the general fund--state appropriation for fiscal year 2012, (~~(\$85,408,000)~~) \$81,067,000 of the general fund--state appropriation for fiscal year 2013, and (~~(\$79,279,000)~~) \$74,800,000 of the general fund--federal appropriation are provided solely for services for children and families (~~(subject to RCW 74.13.360 and House Bill No. 2122 (child welfare). Prior to approval of contract services pursuant to RCW 74.13.360 and House Bill No. 2122.)~~). The amounts provided in this section shall be allotted on a monthly basis and expenditures shall not exceed allotments based on a three month rolling average without approval of the office of financial management following notification to the legislative fiscal committees.

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

(4) \$176,000 of the general fund--state appropriation for fiscal year 2012, \$177,000 of the general fund--state appropriation for fiscal year 2013, \$656,000 of the general fund--private/local appropriation, \$253,000 of the general fund--federal appropriation, and \$725,000 of the education legacy trust account--state appropriation are provided solely for children's administration to contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the transition to performance based contracts. Funding shall be prioritized to regions with high numbers of foster care youth and/or regions where backlogs of youth that have formerly requested educational outreach services exist. The department shall utilize private matching funds to maintain educational advocacy services.

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

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

(7) \$10,741,000 of the home security fund--state appropriation is provided solely for the department to contract for services pursuant to RCW 13.32A.030 and 74.15.220. The department shall contract and collaborate with service providers in a manner that maintains the availability and geographic representation of secure and semi-secure crisis residential centers and HOPE centers. To achieve efficiencies and increase utilization, the department shall allow the co-location of these centers, except that a youth may not be placed in a secure facility or the secure portion of a co-located facility except as specifically authorized by chapter 13.32A RCW. The reductions to appropriations in this subsection related to semi-secure crisis residential centers reflect a reduction to the number of beds for semi-secure crisis residential centers and not a reduction in rates. Any secure crisis residential center or semi-secure crisis residential center bed reduction shall not be based solely upon bed utilization. The department is to exercise its discretion in reducing the number of beds but to do so in a manner that maintains availability and geographic representation of semi-secure and secure crisis residential centers.

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

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

(10) \$799,000 of the general fund--state appropriation for fiscal year 2013 and \$799,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 2264 (child welfare/contracting). If the bill is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

(11) \$178,000 of the general fund--federal appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2592 (extended foster care). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(12) \$616,000 of the general fund--state appropriation for fiscal year 2013 and \$616,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 6555 (child protective services). If the bill is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

**Sec. 203.** 2011 2nd sp.s. c 9 s 203 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM  
 General Fund--State Appropriation (FY 2012) (~~(\$86,684,000)~~)  
 \$85,731,000  
 General Fund--State Appropriation (FY 2013) (~~(\$86,505,000)~~)  
 \$85,274,000  
 General Fund--Federal Appropriation (~~(\$3,758,000)~~)  
 \$3,809,000  
 General Fund--Private/Local Appropriation \$1,903,000  
 Washington Auto Theft Prevention Authority Account--

State Appropriation	\$196,000
Juvenile Accountability Incentive Account--Federal	
Appropriation	\$2,801,000
TOTAL APPROPRIATION	<del>((181,847,000))</del>
	\$179,714,000

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

(1) \$331,000 of the general fund--state appropriation for fiscal year 2012 and \$331,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$2,716,000 of the general fund--state appropriation for fiscal year 2012 and \$2,716,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

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

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

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

(6) \$1,537,000 of the general fund--state appropriation for fiscal year 2012 and \$1,537,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions, and aggression replacement training, or other programs

with a positive benefit-cost finding in the institute's report. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7)(a) The juvenile rehabilitation administration shall administer a block grant, rather than categorical funding, of consolidated juvenile service funds, community juvenile accountability act grants, the chemical dependency disposition alternative funds, the mental health disposition alternative, and the sentencing disposition alternative for the purpose of serving youth adjudicated in the juvenile justice system. In making the block grant, the juvenile rehabilitation administration shall follow the following formula and will prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative: (i) Thirty-seven and one-half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for moderate and high-risk youth; (iii) twenty-five percent for evidence-based program participation; (iv) seventeen and one-half percent for minority populations; (v) three percent for the chemical dependency disposition alternative; and (vi) two percent for the mental health and sentencing dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the juvenile rehabilitation administration and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

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

(c) The juvenile rehabilitation administration and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the juvenile rehabilitation administration and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be cochaired by the juvenile rehabilitation administration and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. Initial members will include one juvenile court representative from the finance committee, the community juvenile accountability act committee, the risk assessment quality assurance committee, the executive board of the Washington association of juvenile court administrators, the Washington state center for court research, and a representative of the superior court judges association; two representatives from the juvenile rehabilitation administration headquarters program oversight staff, two representatives of the juvenile rehabilitation administration regional office staff, one representative of the juvenile rehabilitation administration fiscal staff and a juvenile rehabilitation administration division director. The committee may make changes to the formula categories other than the evidence-based program and disposition alternative categories if it is determined the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost benefit savings to the state. Long-term cost benefit must be considered. Percentage changes may occur in the evidence-based program or disposition alternative categories of the formula should it be determined the changes will increase evidence-based program or disposition alternative delivery and increase the cost benefit to the state. These outcomes will also be considered in determining when evidence-

based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(d) The juvenile courts and administrative office of the courts shall be responsible for collecting and distributing information and providing access to the data systems to the juvenile rehabilitation administration and the Washington state institute for public policy related to program and outcome data. The juvenile rehabilitation administration and the juvenile courts will work collaboratively to develop program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

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

(9) The Washington association of juvenile court administrators and the juvenile rehabilitation administration, in consultation with the community juvenile accountability act advisory committee and the Washington state institute for public policy, shall analyze and review data elements available from the administrative office of the courts for possible integration into the evidence-based program quality assurance plans and processes. The administrative office of the courts, the Washington association of juvenile court administrators, and the juvenile rehabilitation administration shall provide information necessary to complete the review and analysis. The Washington association of juvenile court administrators and the juvenile rehabilitation administration shall report the findings of their review and analysis, as well as any recommendations, to the legislature by December 1, 2012.

**Sec. 204.** 2011 2nd sp.s. c 9 s 204 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM**

**(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS**

General Fund--State	Appropriation	(FY 2012)
<del>(\$317,392,000)</del>		
\$317,734,000		
General Fund--State	Appropriation	(FY 2013)
<del>(\$322,982,000)</del>		
\$324,319,000		
General Fund--Federal	Appropriation	<del>(\$448,732,000)</del>
\$449,593,000		
General Fund--Private/Local	Appropriation	\$17,864,000
Hospital Safety Net Assessment Fund--State	Appropriation	<del>(\$6,802,000)</del>
		\$5,251,000

**TOTAL APPROPRIATION** ~~(\$1,113,772,000)~~  
\$1,114,761,000

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

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

(b) \$6,590,000 of the general fund--state appropriation for fiscal year 2012, \$6,590,000 of the general fund--state appropriation for fiscal year 2013, and \$7,620,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to regional support networks with PACT teams, the department shall consider the differences between regional support networks in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow regional support networks which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under section 204(1)(a) of this act. The department and regional support networks shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

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

(d) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 557 per day through June 2012, 527 per day from July 2012 through September 2012, and 497 per day from October 2012 through the remainder of fiscal year 2013.

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

(f) \$4,582,000 of the general fund--state appropriation for fiscal year 2012 and \$4,582,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement. Beginning in fiscal year 2013, the department shall report regional outcome data on individuals in jail who are referred for regional support network services. By December 1, 2012, the department shall provide a report to the relevant fiscal



mental health services. Funding is sufficient to continue serving children at the same levels as fiscal year 2009.

(b) \$700,000 of the general fund--private/local appropriation is provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices for serving children and youth with mental health disorders. The department shall enter into an interagency agreement with the office of the attorney general for expenditure of \$700,000 of the state's proceeds of the *cy pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for this purpose.

(c) \$55,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the department to contract with the evidence-based practice institute to consult with the department and the Washington state institute for public policy in efforts to identify and expand the use of evidence-based practices for mental health prevention and treatment services to children in accordance with Engrossed Second Substitute House Bill No. 2536 (children services/delivery). Funding provided in this subsection may not be used to pay for costs of the director of the institute and shall lapse if Engrossed Second Substitute House Bill No. 2536 (children services/delivery) is not enacted by June 30, 2012.

(d) \$509,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for training costs associated with implementation of Engrossed Second Substitute House Bill No. 2536 (children services/delivery). The amounts provided in this subsection must be used for coordinated evidence-based practice training to programs providing mental health, child welfare, and juvenile justice services to children. If Engrossed Second Substitute House Bill No. 2536 (children services/delivery) is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

#### (4) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2012)	<del>(\$4,476,000)</del>
\$4,485,000	
General Fund--State Appropriation (FY 2013)	<del>(\$4,261,000)</del>
\$4,357,000	
General Fund--Federal Appropriation	<del>(\$7,227,000)</del>
\$7,292,000	
General Fund--Private/Local Appropriation	\$446,000
TOTAL APPROPRIATION	<del>(\$16,410,000)</del>
\$16,580,000	

(a) The appropriations in this subsection are subject to the following conditions and limitations: In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to increase license and certification fees in fiscal years 2012 and 2013 to support the costs of the regulatory program. The fee schedule increases must be developed so that the maximum amount of additional fees paid by providers statewide in the 2011-2013 fiscal biennium is \$446,000. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(b) \$19,000 of the general fund--state appropriation for fiscal year 2012, \$17,000 of the general fund--state appropriation for fiscal year 2013, and \$34,000 of the general fund--federal appropriation are provided solely to support a partnership among the department of social and health services, the department of health, and agencies that

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

(c) \$105,000 of the general fund--state appropriation for fiscal year 2013 and \$68,000 of the general fund--federal appropriation are provided solely for staffing costs associated with implementation of Engrossed Second Substitute House Bill No. 2536 (children services/delivery). The amounts provided in this subsection must be used for coordinated evidence-based practice implementation amongst the department's programs providing mental health, child welfare, and juvenile justice services to children. If Engrossed Second Substitute House Bill No. 2536 (children services/delivery) is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

**Sec. 205.** 2011 2nd sp.s. c 9 s 205 (uncodified) is amended to read as follows:

#### FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM

##### (1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2012)	<del>(\$418,815,000)</del>
\$405,467,000	
General Fund--State Appropriation (FY 2013)	<del>(\$422,854,000)</del>
\$416,229,000	
General Fund--Federal Appropriation	<del>(\$743,532,000)</del>
\$751,116,000	
General Fund--Private/Local Appropriation	<del>(\$184,000)</del>
\$226,000	
TOTAL APPROPRIATION	<del>(\$1,585,385,000)</del>
\$1,573,038,000	

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

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

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

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

(d) \$944,000 of the general fund--state appropriation for fiscal year 2012, \$944,000 of the general fund--state appropriation for fiscal year 2013, and \$1,888,000 of the general fund--federal appropriation are provided solely for state contributions for individual provider health care benefits. Pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270, the state shall contribute to the multiemployer health benefits trust fund ~~(\$1.96)~~ \$2.21 per paid hour worked by individual providers.

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

(f)) \$1,127,000 of the general fund--state appropriation for fiscal year 2012, \$1,199,000 of the general fund--state appropriation for fiscal year 2013, and \$2,322,000 of the general fund--federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, for instructional costs associated with the training of individual providers. ((House Bill No. 1548 and Senate Bill No. 5473 (long-term care worker requirements) make statutory changes to the increased training requirements and therefore the state shall contribute to the partnership \$0.17 per paid hour worked by all home care workers. This amount is pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.)) Contributions are funded at \$0.17 per benefit-eligible paid hour worked by all home care workers and are sufficient to provide training as required by Initiative Measure No. 1163. Expenditures for the purposes specified in this subsection shall not exceed the amounts provided in this subsection.

(f) \$104,669,000 of the general fund--state appropriation for fiscal year 2013 and \$104,669,000 of the general fund--federal appropriation are provided solely for the department to provide personal care services to waiver and nonwaiver in-home clients. The department shall provide the legislature with a report by December 5, 2012, on the feasibility of converting the medicaid personal care program for in-home adults to a medicaid program as found in section 1915(i) of the federal social security act that utilizes the option for self-direction of individualized budgets. The department shall operate the personal care program within the amounts specifically provided.

(g)(i) Within the amounts appropriated in this subsection, the department shall revise the current working age adult policy to allow clients to choose between employment and community access activities. Clients age 21 and older who are receiving services through a home- and community-based medicaid waiver shall be offered the choice to transition to a community access program after nine months of enrollment in an employment program, and the option to transition from a community access program to an employment program at any time. The department shall inform clients and their legal representatives of all available options for employment and day services. Information provided to the client and the client's legal

representative shall include the types of activities each service option provides, and the amount, scope, and duration of service for which the client would be eligible under each service option. An individual client may be authorized for only one service option, either employment services or community access services. Clients may not participate in more than one of these services at any given time.

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

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

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

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

(i) The current annual renewal license fee for adult family homes shall be increased to \$100 per bed beginning in fiscal year 2012 and ((~~\$175~~) \$250 per bed beginning in fiscal year 2013. Adult family homes shall receive a corresponding vendor rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and ((~~\$0.43~~) \$0.59 in fiscal year 2013 to cover the cost of the license fee increase for publicly funded beds.

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

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

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

(2) INSTITUTIONAL SERVICES	
General Fund--State Appropriation (FY 2012)	(( <del>\$80,815,000</del> ))
\$75,461,000	
General Fund--State Appropriation (FY 2013)	(( <del>\$79,939,000</del> ))
\$80,405,000	

General Fund--Federal Appropriation      (~~(\$154,388,000)~~)  
 \$153,570,000  
 General Fund--Private/Local Appropriation \$22,043,000  
 TOTAL APPROPRIATION      (~~(\$337,185,000)~~)  
 \$331,479,000

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

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

(b) \$721,000 of the general fund--state appropriation for fiscal year 2012 and \$721,000 of the general fund--state appropriation for fiscal year 2013 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(c) \$250,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for allocation under contract to a school district in which a residential habilitation center (RHC) is located. The department must provide the school district with an allocation of \$25,000 for each person under the age of 21 who between July 1, 2011, and June 30, 2013, is newly admitted to the RHC and newly enrolled in the district in which the RHC is located. The purpose of the allocation is to provide supplemental funding for robust supports and extraordinary costs for students who are newly admitted to the RHC and may be experiencing distress while transitioning to a new school environment.

(d) \$600,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for operations of the Rainier school vision development committee, hereby established to create a long-range vision and development plan for the Rainier school.

(i) The committee shall consist of:

(A) Three members of the legislature representing the thirty-first legislative district;

(B) Two persons representing the cities of Enumclaw and Buckley;

(C) Two persons representing the chambers of commerce of the cities of Enumclaw and Buckley;

(D) Two persons representing the friends of Rainier school organization; and

(E) One person representing the Pierce county developmental disabilities board.

(ii) The committee shall create and submit to the legislature a long-range community vision and development plan for the efficient use of the Rainier school facility to best serve the needs of persons with developmental disabilities, including the establishment of a respite care center for families and other caregivers of persons with developmental disabilities.

### (3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2012)      (~~(\$1,380,000)~~)  
 \$1,382,000  
 General Fund--State Appropriation (FY 2013)      (~~(\$1,371,000)~~)  
 \$1,366,000  
 General Fund--Federal Appropriation      (~~(\$1,323,000)~~)  
 \$1,319,000  
 TOTAL APPROPRIATION      (~~(\$4,074,000)~~)  
 \$4,067,000

### (4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2012)      (~~(\$4,648,000)~~)  
 \$4,634,000  
 General Fund--State Appropriation (FY 2013)      (~~(\$4,637,000)~~)

\$4,553,000  
 General Fund--Federal Appropriation      (~~(\$9,575,000)~~)  
 \$9,588,000  
 General Fund--Private/Local Appropriation \$998,000  
 TOTAL APPROPRIATION      (~~(\$19,858,000)~~)  
 \$19,773,000

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

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

**Sec. 206.** 2011 2nd sp.s. c 9 s 206 (uncodified) is amended to read as follows:

### FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM

General Fund--State Appropriation (FY 2012)  
 (~~(\$781,995,000)~~)  
 \$792,059,000

General Fund--State Appropriation (FY 2013)  
 (~~(\$804,465,000)~~)  
 \$796,549,000

General Fund--Federal Appropriation      (~~(\$1,680,450,000)~~)  
 \$1,700,522,000

General Fund--Private/Local Appropriation (~~(\$27,517,000)~~)  
 \$28,871,000

Traumatic Brain Injury Account--State Appropriation \$3,388,000

Nursing Facility Quality Assurance Account--State  
 Appropriation      (~~(\$88,071,000)~~)

\$108,511,000  
 TOTAL APPROPRIATION      (~~(\$3,385,886,000)~~)  
 \$3,429,900,000

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

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

appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

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

(b)) The department shall do a comparative analysis of the facility-based payment rates calculated on July 1, ((2011)) 2012, using the payment methodology defined in ((Engrossed Substitute Senate Bill No. 5581 (nursing home payments))) chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the comparative add-on, acuity add-on, and safety net reimbursement, to the facility-based payment rates in effect June 30, 2010. If the facility-based payment rate calculated on July 1, ((2011)) 2012, is smaller than the facility-based payment rate on June 30, 2010, then the difference shall be provided to the individual nursing facilities as an add-on payment per medicaid resident day.

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

(b) The direct care rate add-on defined in RCW 74.46.431 to compensate facilities for taking on more acute clients than they have in the past is frozen at the March 1, 2012, payment levels.

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

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

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

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

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

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

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

(6) \$1,883,000 of the general fund--state appropriation for fiscal year 2012, \$1,883,000 of the general fund--state appropriation for fiscal year 2013, and \$3,766,000 of the general fund--federal appropriation are provided solely for state contributions for individual provider health care benefits. Pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270, the state shall contribute to the multiemployer health benefits trust fund ((~~\$1.96~~) \$2.21 per paid hour worked by individual providers.

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

(8)) \$2,063,000 of the general fund--state appropriation for fiscal year 2012, \$2,195,000 of the general fund--state appropriation for fiscal year 2013, and \$4,260,000 of the general fund--federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, for instructional costs associated with the training of individual providers. ((House Bill No. 1548 and Senate Bill No. 5473 (long-term care worker requirements) make statutory changes to the increased training requirements and therefore the state shall contribute to the partnership \$0.17 per paid hour worked by all home care workers. This amount is pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.)) Contributions are funded at \$0.17 per benefit-eligible paid hour worked by all home care workers and are sufficient to provide training as required by Initiative Measure No. 1163. Expenditures for the purposes specified in this subsection shall not exceed the amounts provided in this subsection.

(8) \$338,550,000 of the general fund--state appropriation for fiscal year 2013 and \$338,550,000 of the general fund--federal

appropriation are provided solely for the department to provide personal care services to waiver and nonwaiver in-home clients. The department shall provide the legislature with a report by December 5, 2012, on the feasibility of converting the medicaid personal care program for in-home adults to a medicaid program as found in section 1915(i) of the federal social security act that utilizes the option for self-direction of individualized budgets. The department shall operate the personal care program within the amounts specifically provided.

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

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

(11) ~~(\$4,588,000)~~ \$4,823,000 of the general fund--state appropriation for fiscal year 2012, ~~(\$4,559,000)~~ \$6,474,000 of the general fund--state appropriation for fiscal year 2013, and ~~(\$9,237,000)~~ \$11,387,000 of the general fund--federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. The department shall prioritize services in order to reduce utilization and maintain a reduction of 60 beds at western state hospital that were previously used for long term placements for clients with dementia, traumatic brain injuries, or other organic brain disorders. The department shall ensure that a sufficient number of individuals have been transitioned and diverted from western state hospital to enable closure of a 30 bed ward on July 1, 2012, and of another 30 bed ward on October 1, 2012. Coordination of these services must be done in partnership between the mental health program and the aging and disability services administration.

(12) \$1,840,000 of the general fund--state appropriation for fiscal year 2012 and \$1,877,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for operation of the volunteer services program. Funding shall be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

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

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

(b) The current annual renewal license fee for adult family homes shall be increased to \$100 per bed beginning in fiscal year 2012 and assumes \$1,449,000 of the general fund--private/local appropriation; and ~~(\$175)~~ \$250 per bed beginning in fiscal year 2013 and assumes ~~(\$2,463,000)~~ \$3,485,000 of the general fund--private/local appropriation. Adult family homes shall receive a corresponding vendor rate increase per medicaid patient day of \$0.22 in fiscal year 2012 and ~~(\$0.43)~~ \$0.59 in fiscal year 2013 to cover the license fee increase for publicly funded beds.

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

(d) \$72,000 of the general fund--state appropriation for fiscal year 2012, \$708,000 of the general fund--private/local appropriation and \$708,000 of the general fund--federal appropriation are provided solely to implement sections 501 through 503 of Engrossed Substitute House Bill No. 1277 (licensed settings for vulnerable adults). The department shall use additional investigative resources to address complaints about provider practices as well as alleged abuse, neglect, abandonment, and exploitation of residents in adult family homes. The department shall develop a statewide internal quality review and accountability program to improve the accountability of staff and the consistent application of investigative activities, and shall convene a quality assurance panel to review problems in the quality of care in adult family homes.

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

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

**Sec. 207.** 2011 2nd sp.s. c 9 s 207 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM

General Fund--State	Appropriation	(FY	2012)
<del>(\$487,305,000)</del>			
			\$415,570,000
General Fund--State	Appropriation	(FY	2013)
<del>(\$503,362,000)</del>			
			\$452,250,000
General Fund--Federal	Appropriation		<del>(\$1,167,467,000)</del>
			\$1,179,451,000
General Fund--Private/Local	Appropriation		\$30,592,000
	TOTAL APPROPRIATION		<del>(\$2,188,726,000)</del>
			\$2,077,863,000

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

(1) ~~(\$258,880,000)~~ \$107,000,000 of the general fund--state appropriation for fiscal year 2012, ~~(\$297,296,000)~~ \$157,919,000 of the general fund--state appropriation for fiscal year 2013, and ~~(\$710,173,000)~~ \$250,601,000 of the general fund--federal appropriation are provided solely for ~~(all components of the WorkFirst program)~~ assistance to clients including grants and diversion cash assistance under RCW 74.08A.210. Under section 2 of Engrossed Substitute Senate Bill No. 5921 (social services programs), the amounts in this subsection assume that any participant in the temporary assistance for needy families where their participation is suspended and does not volunteer to participate in WorkFirst services or unsubsidized employment does not receive child care subsidies or WorkFirst subsidies as a condition of the suspension. Within the amounts provided ~~(for the WorkFirst program)~~ in this subsection, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families.

(2)(a) \$16,500,000 of the general fund--state appropriation for fiscal year 2012, \$16,500,000 of the general fund--state appropriation for fiscal year 2013, and \$137,340,000 of the general fund--federal appropriation are provided solely for WorkFirst job search, education and training activities, barrier removal services, and tribal assistance under RCW 74.08A.040. Funding appropriated in this subsection (2)(a) must be allocated using a formula that accounts for client caseload and client outcomes, including outcome and accountability measures adopted by the legislative-executive WorkFirst oversight task force under RCW 74.08A.260 and outcomes under RCW

74.08A.410. Funding must be allocated using this formula beginning July 1, 2012. The department shall present this formula, including outcome data, to the legislative-executive WorkFirst oversight task force by July 1, 2012.

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

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

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

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

~~((e))~~ (3) \$45,754,000 of the general fund--state appropriation for fiscal year 2012, \$48,967,000 of the general fund--state appropriation for fiscal year 2013, and \$245,895,000 of the general fund--federal appropriation are provided solely for the working connection child care program under RCW 43.215.135.

(4) The department shall create a temporary assistance for needy families budget structure that allows for more transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure shall include budget units for the following: Grants, child care, WorkFirst activities, and administration of the program. The department shall make quarterly expenditure reports to the legislative-executive WorkFirst oversight task force and legislative fiscal committees.

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

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

(3) \$23,494,000) (5) The amounts in subsections (1) through (3) of this section shall be expended for the programs and in the amounts specified. However, the department may transfer funding between subsections (1) and (3) of this section, but only if the funding is available to transfer solely due to utilization or caseload changes. Amounts in subsection (2) of this section may be transferred to subsections (1) or (3) of this section. The approval of the director of the office of financial management is required prior to any transfer under this subsection. The department shall provide notification prior to any transfer to the appropriate legislative committees and the legislative-executive WorkFirst oversight task force.

(6) \$23,679,000 of the general fund--state appropriation for fiscal year 2012, in addition to supplemental security income recoveries, is provided solely for financial assistance and other services to recipients in the program established in section 4, chapter 8, Laws of 2010 1st sp. sess., until the program terminates on October 31, 2011.

~~((4))~~ ~~(7)~~(a) ~~(\$13,086,000)~~ \$12,457,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$24,788,000)~~ \$21,959,000 of the general fund--state appropriation for fiscal year 2013, in addition to supplemental security income recoveries, are provided solely for the programs created in Engrossed Substitute House Bill No. 2082 (essential needs and assistance program) beginning November 1, 2011.

(b) The department shall review clients receiving services through the aged, blind, or disabled assistance program, to determine whether they would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department.

(c) The department shall continue the interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veterans' services. This agreement must include out-stationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

~~((5))~~ (8) \$1,657,000 of the general fund--state appropriation for fiscal year 2012 and \$1,657,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for naturalization services.

~~((6))~~ (9) \$2,366,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for refugee employment services, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for refugee employment services, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services.

~~((7))~~ (10) On December 1, 2011, and annually thereafter, the department must report to the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

~~((8))~~ (11) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be fifty percent of the federal supplemental nutrition assistance program benefit amount.

**Sec. 208.** 2011 2nd sp.s. c 9 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM  
 General Fund--State Appropriation (FY 2012) ~~(\$74,287,000)~~  
 \$73,742,000  
 General Fund--State Appropriation (FY 2013) ~~(\$74,422,000)~~  
 \$71,218,000  
 General Fund--Federal Appropriation ~~(\$141,514,000)~~  
 \$184,401,000  
 General Fund--Private/Local Appropriation ~~(\$2,086,000)~~  
 \$13,486,000  
 Criminal Justice Treatment Account--State  
 Appropriation \$20,748,000  
 Problem Gambling Account--State Appropriation \$1,448,000  
 TOTAL APPROPRIATION ~~(\$314,505,000)~~  
 \$365,043,000

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

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child

assistance program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) Within the amounts appropriated in this section, the department shall continue to provide for chemical dependency treatment services for adult medicaid eligible, pregnant and parenting women, disability lifeline, and alcoholism and drug addiction treatment and support act, and medical care services clients.

(3) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to increase fees for the review and approval of treatment programs in fiscal years 2012 and 2013 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(4) \$3,500,000 of the general fund--federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

(5) Within amounts appropriated in this section, the department is required to increase federal match available for intensive inpatient services. During fiscal year 2013, the department shall shift contracts for a minimum of 32 intensive inpatient beds currently provided in settings that are considered institutions for mental diseases to two or more facilities with fewer than 16 beds that are able to claim federal match for services provided to medicaid clients or individuals covered under the department's section 1115 medicaid waiver. The department is authorized to conduct a request for proposal process to fulfill this requirement. By December 1, 2012, the department shall provide a plan to the office of financial management and to the relevant fiscal and policy committees of the legislature for transitioning all remaining intensive inpatient beds currently provided in settings that are considered institutions for mental diseases into facilities with fewer than 16 beds by June 2017. The plan shall identify the maximum number of additional beds that can be transitioned into facilities with fewer than 16 beds during the 2013-2015 fiscal biennium and the remaining number that will be transitioned during the 2015-2017 fiscal biennium, a timeline and process for accomplishing this, and a projection of the related general fund--state savings for each biennium.

**Sec. 209.** 2011 2nd sp.s. c 9 s 209 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2012)	<del>(\$10,874,000)</del>
\$10,629,000	
General Fund--State Appropriation (FY 2013)	<del>(\$10,861,000)</del>
\$10,401,000	
General Fund--Federal Appropriation	<del>(\$105,091,000)</del>
\$105,069,000	
Telecommunications Devices for the Hearing and Speech Impaired--State Appropriation	\$2,766,000
TOTAL APPROPRIATION	<del>(\$129,592,000)</del>
\$128,865,000	

The appropriations in this section are subject to the following conditions and limitations: \$480,000 of the telecommunications devices for the hearing and speech impaired account--state appropriation is provided solely for the office of deaf and hard of

hearing to contract for services that provide employment support and help with life activities for deaf-blind individuals in King county.

**Sec. 210.** 2011 2nd sp.s. c 9 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM

General Fund--State Appropriation (FY 2012)	<del>(\$47,719,000)</del>
\$48,170,000	
General Fund--State Appropriation (FY 2013)	<del>(\$46,292,000)</del>
\$36,133,000	
TOTAL APPROPRIATION	<del>(\$94,011,000)</del>
\$84,303,000	

**Sec. 211.** 2011 2nd sp.s. c 9 s 211 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2012)	<del>(\$26,125,000)</del>
\$26,070,000	
General Fund--State Appropriation (FY 2013)	<del>(\$24,586,000)</del>
\$24,364,000	
General Fund--Federal Appropriation	<del>(\$39,223,000)</del>
\$39,451,000	
General Fund--Private/Local Appropriation	\$2,116,000
Performance Audits of State Government--State Appropriation	\$4,812,000
TOTAL APPROPRIATION	<del>(\$96,862,000)</del>
\$96,813,000	

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

(1) \$300,000 of the general fund--state appropriation for fiscal year 2012 and \$300,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

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

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

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

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

(6) \$250,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for a grant program focused on criminal street gang prevention and intervention. The Washington state partnership council on juvenile justice may award grants under this subsection. The council shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities

and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection.

**Sec. 212.** 2011 2nd sp.s. c 9 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM  
 General Fund--State Appropriation (FY 2012)      (~~(\$62,778,000)~~)  
     \$62,140,000  
 General Fund--State Appropriation (FY 2013)      (~~(\$61,927,000)~~)  
     \$55,653,000  
 General Fund--Federal Appropriation      (~~(\$58,400,000)~~)  
     \$57,054,000  
     TOTAL APPROPRIATION      (~~(\$183,105,000)~~)  
     \$174,847,000

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

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

**Sec. 213.** 2011 2nd sp.s. c 9 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY  
 General Fund--State Appropriation (FY 2012)  
     (~~(\$2,130,229,000)~~)  
     \$2,034,296,000  
 General Fund--State Appropriation (FY 2013)  
     (~~(\$2,185,617,000)~~)  
     \$2,031,095,000  
 General Fund--Federal Appropriation      (~~(\$5,389,627,000)~~)  
     \$5,307,233,000  
 General Fund--Private/Local Appropriation(~~(\$45,512,000)~~)  
     \$62,597,000  
 Emergency Medical Services and Trauma Care Systems  
 Trust Account--State Appropriation      \$15,077,000  
 Hospital Safety Net Assessment Fund--State  
 Appropriation      (~~(\$394,905,000)~~)  
     \$434,087,000  
 State Health Care Authority Administration Account--  
 State Appropriation      (~~(\$34,118,000)~~)  
     \$34,043,000  
 Basic Health Plan Stabilization Account--  
 State Appropriation      \$44,000,000  
 Medical Aid Account--State Appropriation \$529,000  
 Medicaid Fraud Penalty Account--State Appropriation  
     \$9,200,000  
     TOTAL APPROPRIATION      (~~(\$10,239,614,000)~~)  
     \$9,972,157,000

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

(1) The appropriations to the authority in this act shall be expended for the purposes and in the amounts specified in this act. To the extent that appropriations in this section are insufficient to fund actual expenditures in excess of caseload forecasts and utilization assumptions, the authority, after May 1, 2012, may transfer general fund--state appropriations for fiscal year 2012 that are provided solely for a specified purpose. The authority shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the

expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

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

~~((2))~~ (3) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

~~((3))~~ (4)(a) \$1,200,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to plan the implementation of a system of consolidated public school employee health benefits purchasing.

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

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

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

- (i) The current K-12 health benefits system;
- (ii) A new K-12 employee benefits pool; and
- (iii) Enrolling K-12 employees into the health benefits pool for state employees.

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

- (i) The costs and benefits of the current K-12 health benefits system;
- (ii) The costs and benefits of providing a new statewide K-12 employees' health benefits pool to school districts and school employees;
- (iii) The costs and benefits of enrolling K-12 employees into the existing health benefits pool for state employees;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~((4))~~ (5) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

~~((5))~~ (6) Enrollment in the subsidized basic health plan shall be limited to only include persons who qualify as subsidized enrollees as defined in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid demonstration project number 11-W-00254/10; or (b) are foster parents licensed under chapter 74.15 RCW.

~~((6))~~ (7) \$23,700,000 of the general fund--federal appropriation is provided solely for planning and implementation of a health benefit exchange under the federal patient protection and affordable care act. Within the amounts provided in this subsection, funds used by the authority for information technology projects are conditioned on the authority satisfying the requirements of Engrossed Second Substitute Senate Bill No. 5931 (central service agencies).

~~((7))~~ (8) Based on quarterly expenditure reports and caseload forecasts, if the health care authority estimates that expenditures for the medical assistance program will exceed the appropriations, the health care authority shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

~~((8))~~ (9) In determining financial eligibility for medicaid-funded services, the health care authority is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

~~((9))~~ (10) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

~~((10))~~ (11) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the health care authority shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

~~((11))~~ (12) \$4,261,000 of the general fund--state appropriation for fiscal year 2012, \$4,261,000 of the general fund--state appropriation for fiscal year 2013, and \$8,522,000 of the general fund--federal appropriation are provided solely for low-income disproportionate share hospital payments under RCW 74.09.730(1)(a).

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

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

((14)) (13) \$6,000,000 of the general fund--federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The health care authority shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

~~((15))~~ (14) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2011- 2013 fiscal biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The health care authority shall submit reports to the governor and legislature by

November 1, 2011, and by November 1, 2012, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2012 and fiscal year 2013, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2011-13 biennial operating appropriations act and in effect on July 1, 2011, (b) one half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2011-13 biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. (~~(\$24,677,000)~~) \$8,102,000 of the general fund--state appropriation for fiscal year 2012, of which \$6,570,000 is appropriated in section 204(1) of this act, and (~~(\$21,531,000)~~) \$3,162,000 of the general fund--state appropriation for fiscal year 2013, of which \$6,570,000 is appropriated in section 204(1) of this act, are provided solely for state grants for the participating hospitals. CPE hospitals will receive the inpatient and outpatient reimbursement rate restorations in RCW 74.60.080 and rate increases in RCW 74.60.090 funded through the hospital safety net assessment fund rather than through the baseline mechanism specified in this subsection.

(~~(46)~~) (15) The health care authority shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program reauthorization act of 2009.

(~~(47)~~) (16) The health care authority shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race. The health care authority shall prioritize evidence-based practices for delivery of

maternity support services. To the extent practicable, the health care authority shall develop a mechanism to increase federal funding for maternity support services by leveraging local public funding for those services.

(~~(48)~~) (17) For children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program for children who are not eligible for coverage under the federally funded children's health insurance program, premiums shall be set every two years in an amount equal to the average state-wide share of the per capita cost of coverage in the state-funded children's health program for children in families with incomes at or less than two hundred percent of the federal poverty level.

((19) \$704,000 of the general fund--state appropriation for fiscal year 2012, \$726,000 of the general fund--state appropriation for fiscal year 2013, and \$1,431,000 of the general fund--federal appropriation are provided solely for) (18) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

(~~((20) \$998,000)~~) (19) \$859,000 of the general fund--state appropriation for fiscal year 2012, \$979,000 of the general fund--state appropriation for fiscal year 2013, and (~~(\$1,980,000)~~) \$1,841,000 of the general fund--federal appropriation are provided solely to increase prior authorization activities for advanced imaging procedures.

(~~((21) \$249,000)~~) (20) \$196,000 of the general fund--state appropriation for fiscal year 2012, \$246,000 of the general fund--state appropriation for fiscal year 2013, and (~~(\$495,000)~~) \$442,000 of the general fund--federal appropriation are provided solely to increase prior authorization activities for surgical procedures, which may include orthopedic procedures, spinal procedures and interventions, and nerve procedures.

(~~((22))~~) (21) \$300,000 of the general fund--private/local appropriation and \$300,000 of the general fund--federal appropriation are provided solely for a prescriptive practices improvement collaborative focusing upon atypical antipsychotics and other medications commonly used in the treatment of severe and persistent mental illnesses among adults. The project shall promote collaboration among community mental health centers, other major prescribers of atypical antipsychotic medications to adults enrolled in state medical assistance programs, and psychiatrists, pharmacists, and other specialists at the University of Washington department of psychiatry and/or other research universities. The collaboration shall include patient-specific prescriber consultations by psychiatrists and pharmacists specializing in treatment of severe and persistent mental illnesses among adults; production of profiles to assist prescribers and clinics in tracking their prescriptive practices and their patients' medication use and adherence relative to evidence-based practices guidelines, other prescribers, and patients at other clinics; and in-service seminars at which participants can share and increase their knowledge of evidence-based and other effective prescriptive practices. The health care authority shall enter into an interagency agreement with the office of the attorney general for expenditure of \$300,000 of the state's proceeds of the *cy pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for this purpose.

(~~((23))~~) (22) \$570,000 of the general fund--private/local appropriation is provided solely for continued operation of the partnership access line for child mental health consultations. The health care authority shall enter into an interagency agreement with the office of the attorney general for expenditure of \$570,000 of the state's proceeds of the *cy pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for this purpose.

(~~((24))~~) (23) \$80,000 of the general fund--state appropriation for fiscal year 2012, \$80,000 of the general fund--state appropriation for fiscal year 2013, and \$160,000 of the general fund--federal

appropriation are provided solely to fund the Tacoma-Pierce county health department for access and outreach activities to reduce infant mortality.

~~((25))~~ (24) \$75,000 of the general fund--state appropriation for fiscal year 2012, \$75,000 of the general fund--state appropriation for fiscal year 2013, and \$150,000 of the general fund--federal appropriation are provided solely to assist with development and implementation of evidence-based strategies regarding the appropriate, safe, and effective role of C-section surgeries and early induced labor in births and neonatal care. The strategies shall be identified and implemented in consultation with clinical research specialists, physicians, hospitals, advanced registered nurse practitioners, and organizations concerned with maternal and child health.

((26) \$2,400,000 of the general fund--state appropriation for fiscal year 2012, \$2,435,000 of the general fund--state appropriation for fiscal year 2013, \$7,253,000 of the general fund--private/local appropriation, and \$12,455,000 of the general fund--federal appropriation are provided solely for continued provision of) (25) Within the amounts appropriated in this section, the health care authority shall continue to provide school-based medical services by means of an intergovernmental transfer arrangement. Under the arrangement, the state shall provide forty percent and school districts sixty percent of the nonfederal matching funds required for receipt of federal medicaid funding for the service.

~~((27))~~ (26) \$263,000 of the general fund--state appropriation for fiscal year 2012, \$88,000 of the general fund--state appropriation for fiscal year 2013, and \$351,000 of the general fund--federal appropriation are provided solely for development and submission to the federal government by October 1, 2011, of a demonstration project proposal as provided in Substitute Senate Bill No. 5596 (medicaid demonstration waiver).

((28) \$5,600,000 of the general fund--state appropriation for fiscal year 2012, \$4,094,000 of the general fund--state appropriation for fiscal year 2013, and \$11,332,000 of the general fund--federal appropriation are provided solely for) (27) Within the amounts appropriated in this section, the health care authority shall provide spoken-language interpreter services. The authority shall develop and implement a new model for delivery of such services no later than January 1, 2012. The model shall include:

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

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

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

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

~~((29))~~ (28) In its procurement of contractors for delivery of medical managed care services for nondisabled, nonelderly persons,

the medical assistance program shall (a) place substantial emphasis upon price competition in the selection of successful bidders; and (b) not require delivery of any services that would increase the actuarial cost of service beyond the levels included in current healthy options contracts.

~~((30))~~ (29) \$1,430,000 of the general fund--state appropriation for fiscal year 2012, \$1,430,000 of the general fund--state appropriation for fiscal year 2013, and \$2,860,000 of the general fund--federal appropriation are provided solely to pay federally-designated rural health clinics their standard encounter rate for prenatal and well-child visits, whether delivered under a managed care contract or fee-for-service. In reconciling managed care enhancement payments for calendar years 2009 and 2010, the department shall treat well-child and prenatal care visits as encounters subject to the clinic's encounter rate.

~~((31))~~ (30) \$280,000 of the general fund--state appropriation for fiscal year 2012 and \$282,000 of the general fund--federal appropriation are provided solely to increase utilization management of drugs and drug classes for which there is evidence of over-utilization, off-label use, excessive dosing, duplicative therapy, or opportunities to shift utilization to less expensive, equally effective formulations.

~~((32))~~ (31) \$70,000 of the general fund--state appropriation for fiscal year 2012, \$70,000 of the general fund--state appropriation for fiscal year 2013, and \$140,000 of the general fund--federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

~~((33))~~ (32) \$400,000 of the general fund--state appropriation for fiscal year 2012 and \$400,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the local outreach, case management, and coordination with dental providers needed to execute the access to baby and child dentistry program, which provides dental care to Medicaid eligible children up to age six.

((34) \$1,868,000 of the general fund--state appropriation for fiscal year 2012, \$1,873,000 of the general fund--state appropriation for fiscal year 2013, and \$3,154,000 of the general fund--federal appropriation are provided solely to) (33) Within the amounts appropriated in this section, the health care authority shall continue to provide dental services to pregnant women. Services shall include preventive, routine, and emergent dental care.

~~((35))~~ (34) \$395,000 of the general fund--state appropriation for fiscal year 2012, \$395,000 of the general fund--state appropriation for fiscal year 2013, and \$790,000 of the general fund--federal appropriation are provided solely for continued operation of the dental education in care of persons with disabilities (DECOD) program at the University of Washington.

~~((36) \$112,000)~~ (35) \$159,000 of the general fund--state appropriation for fiscal year 2012, ~~((112,000 of the general fund--state appropriation for fiscal year 2013,))~~ \$302,000 of the general fund--private/local appropriation, and ~~((1,928,000))~~ \$146,072,000 of the general fund--federal appropriation are provided solely for the provider incentive program and other initiatives related to the health information technology Medicaid plan. The general fund--private/local appropriation in this subsection shall be funded with proceeds from settlements in the case of *State of Washington vs. GlaxoSmithKline*. The authority and the office of the attorney general shall enter an interagency agreement regarding use of these funds.

~~((37))~~ (36) \$2,926,000 of the general fund--local appropriation and \$2,928,000 of the general fund--federal appropriation are provided solely to support medical airlift services.

~~((38))~~ (37) The authority shall collect data on enrollment and utilization to study whether the expansion of family planning coverage under Substitute Senate Bill No. 5912 is reducing state medical expenditures by reducing unwanted pregnancies. The

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

~~((39))~~ (38) \$480,000 of the general fund--state appropriation for fiscal year 2012, \$480,000 of the general fund--state appropriation for fiscal year 2013, and \$824,000 of the general fund--federal appropriation are provided solely for customer services staff. The authority will attempt to improve the phone answer rate to 40 percent and reduce the response times to written questions to ten days for clients and 25 days for providers. The authority will report to the legislature on its progress toward achieving these goals by January 1, 2012. If the authority has not achieved these goals by July 1, 2012, then the authority shall reduce expenditures on management staff in order to increase expenditures on customer service staff until the goals are achieved.

~~((40))~~ (39) The department shall purchase a brand name drug when it determines that the cost of the brand name drug after rebates is less than the cost of generic alternatives and that purchase of the brand rather than generic version can save at least \$250,000. The department may purchase generic alternatives when changes in market prices make the price of the brand name drug after rebates more expensive than the generic alternatives.

~~((41))~~ (40) The department shall collaborate closely with the Washington state hospital and medical associations in identification of the diagnostic codes and retroactive review procedures that will be used to determine whether an emergency room visit is a nonemergency condition to assure that conditions that require emergency treatment continue to be covered.)

(40) The authority, in collaboration with the department of social and health services, the department of health, the Washington state hospital association, the Puget Sound health alliance, the Washington association of community and migrant health centers, and the forum, a collaboration of health carriers, physicians, and hospitals in Washington state, shall design a system of rural health system access and quality incentive payments. The incentive payments must be linked to explicit performance measures that consider not only services provided by health care providers, but also the role that providers might play in the rural health delivery systems in their communities, including the provision of long-term care services. In designing the incentive payment system, the authority shall consider the department of health's necessary provider criteria for critical access hospitals, the quality measures used to determine quality incentive payments under RCW 74.60.130, and any other performance measures that would promote access and quality in rural health systems. The authority, in conjunction with those groups identified in this subsection, shall develop parameters for determining criteria for increased payment, alternative payment methodologies, or other incentives for those providers that improve and achieve sustained improvement with respect to the measures. The design of the system shall be submitted to the relevant policy and fiscal committees of the legislature by December 15, 2012.

(41) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$1,964,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to implement Engrossed Second Substitute House Bill No. 2319 (affordable care act). If the bill is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

(42) \$1,109,000 of the general fund--state appropriation for fiscal year 2012, \$1,471,000 of the general fund--state appropriation for fiscal year 2013, and \$21,890,000 of the general fund--federal appropriation are provided solely to implement phase two of the project to create a single provider payment system that consolidates medicaid medical and social services payments and replaces the social service payment system.

(43) The authority, in consultation with the Washington state hospital association, the Washington state medical association, and the Washington chapter of the American college of emergency

physicians shall designate best practices to reduce medical assistance expenditures through the reduction of unnecessary emergency room visits. In consultation with emergency room physicians and hospitals, the goal is to achieve, by July 1, 2012, adoption of the designated best practices by hospitals in Washington state that, in total, provided at least seventy-five percent of emergency room visits to medicaid fee-for-service clients in fiscal year 2010. The best practices shall consist of the following items:

(a) Adoption of a system to exchange patient information among emergency departments;

(b) Active dissemination of patient educational materials produced by the Washington state hospital association, Washington state medical association, and the Washington chapter of the American college of emergency physicians that instruct patients on the best places to go for health care;

(c) Designation of hospital personnel and emergency room physician personnel to receive and appropriately disseminate information on clients participating in the medicaid patient review and coordination program and monthly utilization reports on those clients;

(d) A process to assist the authority's patient review and coordination program clients with their care plans. The process must include substantial efforts to make an appointment for a client in the patient review and coordination program to see a primary care provider within seventy-two hours of the client's nonemergent emergency room visit when follow-up by a primary care provider is appropriate under the client's care plan;

(e) Implementation of narcotic guidelines that incorporate the Washington chapter of the American college of emergency physician guidelines;

(f) Physician enrollment in the state's prescription monitoring program; and

(g) Designation of a hospital emergency physician responsible for reviewing the state's medicaid utilization management feedback reports and taking appropriate action in response to the information in the feedback reports.

The requirements for best practices for a critical access hospital should not include adoption of a system to exchange patient information if doing so would pose a financial burden, and should not include requirements related to the authority's patient review and coordination program if the volumes of patients seen at the critical access hospital are small.

The components of the best practices and list of participating hospitals shall be submitted to the relevant policy and fiscal committees of the legislature by May 1, 2012. By July 1, 2012, the participating hospitals shall submit to the authority an attestation indicating their adoption of and compliance with the best practices. If the hospitals submitting the attestation do not represent at least seventy-five percent of emergency room visits by medicaid fee-for-service clients in fiscal year 2010, the authority may implement a policy of nonpayment for nonemergent care for which hospital emergency department services are not medically necessary, with appropriate processes for exemptions or expedited prior authorization. Criteria for exemption or expedited prior authorization shall include but are not limited to: Patients presenting with abnormal vital signs, traumatic etiology, or high risk conditions; patients with abnormal laboratory findings; and patients with documented referrals to the emergency department by primary care providers. If the percentage is above seventy-five percent, the authority shall not proceed with implementing any plan or policy that does not comport with national prudent layperson standards for either fee-for-service or managed care clients or that utilizes a discharge diagnosis list for determination of coverage.

(44) \$25,000 of the hospital safety net assessment--state appropriation and \$25,000 of the general fund--federal appropriation are provided solely for the authority to review and report on the

payment of facility fees in programs administered by the authority. The study shall include a summary of state and federal requirements and practices with regard to the use of such fees; an analysis of how authority payments for services and procedures that include an explicit facility fee component compare to amounts paid for comparable services and procedures that do not; the amount expended for facility fees by major program and service in each of the four most recent years for which reasonably complete and comparable information is available; an analysis of the extent to which hospital acquisition of physician practices and of laboratory, imaging, and other outpatient diagnostic and treatment services has contributed to increased state expenditures; and the authority's recommendations regarding possible revisions to calculation and payment of such fees. The authority shall report its finding and recommendations to the health care and appropriate fiscal committees of the legislature by November 1, 2012.

(45) Prior to entering into a contract for medicaid managed care services for the period commencing July 1, 2012, the director of the health care authority shall certify to the governor and to the health care committees of the legislature that the contractor has established a network of acute, primary, and specialty care providers that is sufficient to meet the needs of the contractor's anticipated enrollee population. If no plan is able to certify an adequate provider network in a county, the health care authority shall request re-bids from all plans which originally submitted bids for the county during the regular procurement process until award is successful. No county, that is currently served by Medicaid managed care services shall revert to fee-for-service as a result of the procurement process.

(46) The department shall seek a medicaid state plan amendment to create a graduate medical education supplemental payment for services delivered to managed care recipients by University of Washington medicine and other public professional providers. This program shall be effective as soon as administratively possible and shall operate concurrently with the existing professional services supplemental payment program. Providers that participate in the graduate medical education supplemental payment program are not eligible to participate in the professional services supplemental payment program. The department shall apply federal rules for identifying the difference between current physician encounter and fee-for-service medicaid payments to participating providers and the applicable federal upper payment limit. Participating providers shall be solely responsible for providing the local funds required to obtain federal matching funds. Any incremental costs incurred by the department in the development, implementation, and maintenance of this program shall be the responsibility of the participating providers. Participating providers shall retain the full amount of supplemental payments provided under this program, net of any costs related to the program that are disallowed due to audits or litigation against the state.

(47) The authority shall exclude HIV/AIDS disease, cancer, and immunosuppressant drugs from any formulary limitations implemented to operate within the appropriations provided in this section.

(48) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud) is not enacted by June 30, 2012, the amounts appropriated in this section from the medicaid fraud penalty account--state appropriation shall lapse and an additional \$3,608,000 shall be appropriated from the general fund--state for fiscal year 2013 for medicaid services, fraud detection and prevention activities, recovery of improper payments, and for other medicaid fraud enforcement activities.

(49) The authority may pursue a competitive bidding process for the purchase of lowest cost generic drugs within the medicaid program.

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

FOR THE HUMAN RIGHTS COMMISSION	
General Fund--State Appropriation (FY 2012)	<del>(\$2,240,000)</del>
\$1,993,000	
General Fund--State Appropriation (FY 2013)	<del>(\$2,242,000)</del>
\$1,954,000	
General Fund--Federal Appropriation	<del>(\$1,903,000)</del>
\$1,893,000	
TOTAL APPROPRIATION	<del>(\$6,385,000)</del>
\$5,840,000	

**Sec. 215.** 2011 2nd sp.s. c 9 s 214 (uncodified) is amended to read as follows:

FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS	
Worker and Community Right-to-Know Account--State	
Appropriation	\$10,000
Accident Account--State Appropriation	<del>(\$19,690,000)</del>
\$19,602,000	
Medical Aid Account--State Appropriation	<del>(\$19,689,000)</del>
\$19,602,000	
TOTAL APPROPRIATION	<del>(\$39,389,000)</del>
\$39,214,000	

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

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

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

(3) \$1,893,000 of the accident account--state appropriation and \$1,893,000 of the medical aid account--state appropriation are provided solely for implementation of House Bill No. 2123 (workers' compensation). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

**Sec. 216.** 2011 2nd sp.s. c 9 s 215 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION	
General Fund--State Appropriation (FY 2012)	<del>(\$14,850,000)</del>
\$14,590,000	
General Fund--State Appropriation (FY 2013)	<del>(\$14,711,000)</del>
\$14,158,000	
General Fund--Federal Appropriation	\$456,000
General Fund--Private/Local Appropriation	\$4,048,000
Death Investigations Account--State Appropriation	\$148,000
Municipal Criminal Justice Assistance Account--	
State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account--	
State Appropriation	\$8,597,000
TOTAL APPROPRIATION	<del>(\$43,270,000)</del>
\$42,457,000	

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

(1) \$5,000,000 of the general fund--state appropriation for fiscal year 2012 and \$5,000,000 of the general fund--state appropriation for fiscal year 2013, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130.

(2) \$321,000 of the general fund--local appropriation is provided solely to purchase ammunition for the basic law enforcement academy. Jurisdictions shall reimburse to the criminal justice training

commission the costs of ammunition, based on the average cost of ammunition per cadet, for cadets that they enroll in the basic law enforcement academy.

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

(4) \$100,000 of the general fund--state appropriation for fiscal year 2012 and \$100,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a school safety program. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel hired after the effective date of this section.

(5) \$96,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$90,000)~~ \$96,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

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

**Sec. 217.** 2011 2nd sp.s. c 9 s 216 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund--State Appropriation (FY 2012)	<del>(\$17,433,000)</del>
\$17,406,000	
General Fund--State Appropriation (FY 2013)	<del>(\$18,374,000)</del>
\$17,909,000	
General Fund--Federal Appropriation	\$11,636,000
Asbestos Account--State Appropriation	<del>(\$395,000)</del>
\$375,000	
Electrical License Account--State Appropriation	<del>(\$37,019,000)</del>
\$36,360,000	
Farm Labor Revolving Account--Private/Local Appropriation	\$28,000
Worker and Community Right-to-Know Account--State Appropriation	<del>(\$949,000)</del>
\$916,000	
Public Works Administration Account--State Appropriation	<del>(\$6,814,000)</del>
\$7,043,000	
Manufactured Home Installation Training Account--State Appropriation	\$334,000
Accident Account--State Appropriation	<del>(\$252,809,000)</del>
\$250,455,000	
Accident Account--Federal Appropriation	\$13,622,000
Medical Aid Account--State Appropriation	<del>(\$264,202,000)</del>
\$262,574,000	

Medical Aid Account--Federal Appropriation	\$3,186,000
Plumbing Certificate Account--State Appropriation	<del>(\$1,688,000)</del>
\$1,675,000	
Pressure Systems Safety Account--State Appropriation	<del>(\$4,068,000)</del>
\$4,050,000	
TOTAL APPROPRIATION	<del>(\$632,557,000)</del>
\$627,569,000	

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees related to factory assembled structures, contractor registration, electricians, plumbers, asbestos removal, boilers, elevators, and manufactured home installers. Plumber fees may be increased each year of the fiscal biennium. These increases are necessary to support expenditures authorized in this section, consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

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

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

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

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

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

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

(8) \$90,000 of the public works administration account--state appropriation is provided solely to implement Substitute Senate Bill

No. 6421 (prevailing wage/public works). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(9) \$34,000 of the electrical license account--state appropriation is provided solely to implement Senate Bill No. 6133 (electrician certifications). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 218.** 2011 2nd sp.s. c 9 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2012) ~~((1,832,000))~~  
\$1,829,000

General Fund--State Appropriation (FY 2013) ~~((1,826,000))~~  
\$1,804,000

Charitable, Educational, Penal, and Reformatory

Institutions Account--State Appropriation \$10,000

TOTAL APPROPRIATION ~~((3,668,000))~~

\$3,643,000

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2012) ~~((5,006,000))~~  
\$5,002,000

General Fund--State Appropriation (FY 2013) ~~((5,001,000))~~  
\$4,969,000

General Fund--Federal Appropriation ~~((3,356,000))~~  
\$3,348,000

General Fund--Private/Local Appropriation ~~((4,737,000))~~  
\$4,724,000

Veterans Innovations Program Account--State  
Appropriation ~~((812,000))~~  
\$810,000

Veteran Estate Management Account--Private/Local  
Appropriation ~~((1,083,000))~~  
\$1,079,000

TOTAL APPROPRIATION ~~((19,995,000))~~

\$19,932,000

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

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2012) ~~((899,000))~~  
\$1,743,000

~~((General Fund--State Appropriation (FY 2013) \$71,000))~~

General Fund--Federal Appropriation ~~((59,177,000))~~  
\$61,462,000

General Fund--Private/Local Appropriation ~~((32,094,000))~~  
\$29,528,000

TOTAL APPROPRIATION ~~((92,241,000))~~

\$92,733,000

**Sec. 219.** 2011 2nd sp.s. c 9 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund--State Appropriation (FY 2012) ~~((79,888,000))~~  
\$79,407,000

General Fund--State Appropriation (FY 2013) ~~((79,718,000))~~  
\$77,953,000

General Fund--Federal Appropriation ~~((555,563,000))~~  
\$553,200,000

General Fund--Private/Local Appropriation ~~((148,362,000))~~  
\$148,101,000

Hospital Data Collection Account--State Appropriation  
\$214,000

Health Professions Account--State Appropriation ~~((94,469,000))~~  
\$99,017,000

Aquatic Lands Enhancement Account--State Appropriation  
\$604,000

Emergency Medical Services and Trauma Care Systems  
Trust Account--State Appropriation ~~((12,302,000))~~

Safe Drinking Water Account--State Appropriation ~~((4,480,000))~~  
\$4,466,000

Drinking Water Assistance Account--Federal  
Appropriation ~~((22,875,000))~~  
\$21,979,000

Waterworks Operator Certification--State  
Appropriation ~~((1,532,000))~~  
\$1,528,000

Drinking Water Assistance Administrative Account--  
State Appropriation \$326,000

Site Closure Account--State Appropriation \$79,000

Biotoxin Account--State Appropriation \$1,167,000

State Toxics Control Account--State Appropriation ~~((3,649,000))~~  
\$3,631,000

Medical Test Site Licensure Account--State  
Appropriation ~~((2,321,000))~~  
\$2,313,000

Youth Tobacco Prevention Account--State Appropriation  
\$1,512,000

Community and Economic Development Fee Account--State  
Appropriation ~~((596,000))~~  
\$298,000

Public Health Supplemental Account--Private/Local  
Appropriation \$3,598,000

Accident Account--State Appropriation ~~((297,000))~~  
\$295,000

Medical Aid Account--State Appropriation \$50,000

Tobacco Prevention and Control Account--State  
Appropriation ~~((37,000))~~  
\$1,729,000

TOTAL APPROPRIATION ~~((1,013,560,000))~~

\$1,013,767,000

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

(1) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(2) In accordance with RCW 43.70.250 and 43.135.055, the department is authorized to establish and raise fees in fiscal year 2012 as necessary to meet the actual costs of conducting business and the appropriation levels in this section. This authorization applies to fees required for: The review of health care facility construction; review of health facility requests for certificate of need; the regulation and inspection of farm worker housing, hospital licensing, in-home health service agencies, and producers of radioactive waste; the regulation and inspection of shellfish sanitary control, surgical facility licensing, and; fees associated with the following professions: Dieticians and nutritionists, occupational therapists, pharmacy, veterinarian, orthotics and prosthetics, surgical technicians, nursing home administrators, health care assistants, hearing and speech, psychology, hypnotherapy, chiropractic, social workers, physicians, and physician assistants.

(3) Pursuant to RCW 18.130.250, the department is authorized to establish a lower cost fee category for retired licensed practical nurses and registered nurses.

(4) In accordance with RCW 43.135.055, the department is authorized to adopt fees set forth in and previously authorized in chapter 92, Laws of 2010.

(5) \$1,969,000 of the health professions account--state appropriation is provided solely to implement online licensing for health care providers. The department must submit a detailed investment plan for this project to the office of financial management. The office of financial management must review and approve this plan before funding may be expended. The department of health must successfully implement online application and renewal for at least one profession as a pilot project before pursuing additional professions. The department must report to the office of financial management on the outcome of the pilot project.

~~((4))~~ (6) \$16,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1181 (board of naturopathy). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((5))~~ (7) \$21,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1304 (health care assistants). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((6))~~ (8) \$54,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1353 (pharmacy technicians). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((7))~~ (9) \$142,000 of the health professions account--state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5020 (social workers). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((8))~~ (10) \$336,000 of the health professions account--state appropriation is provided solely for the implementation of Senate Bill No. 5480 (physicians and physician assistants). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((9))~~ (11) \$46,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5071 (online access for midwives and marriage and family therapists). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((10))~~ (12) \$137,000 of the health professions account--state appropriation is provided solely for implementation of Substitute House Bill No. 1133 (massage practitioner license). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

~~((11))~~ (13) \$85,000 of the general fund--state appropriation for fiscal year 2012 ~~((and \$85,000 of the general fund state appropriation for fiscal year 2013 are))~~ is provided solely for the developmental disabilities council to contract for a family-to-family

mentor program to provide information and support to families and guardians of persons who are transitioning out of residential habilitation centers. To the maximum extent allowable under federal law, these funds shall be matched under medicaid through the department of social and health services and federal funds shall be transferred to the department for the purposes stated in this subsection. If Second Substitute Senate Bill No. 5459 (people with developmental disabilities) is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

~~((12))~~ (14) \$57,000 of the general fund--state appropriation for fiscal year 2012 and \$58,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. There shall be no change to the current annual fees for new or renewed licenses for the midwifery program, except from online access to HEAL- WA. The department shall convene the midwifery advisory committee on a quarterly basis to address issues related to licensed midwifery.

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

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

(17) \$95,000 of the general fund--private/local appropriation is provided solely for implementation of Second Substitute House Bill No. 2211 (adoptee information access). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(18) \$162,000 of the hospital data collection account--state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2341 (hospitals/community benefits). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(19) \$30,000 of the health professions account--state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2473 (medication assistant endorsement). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(20) \$19,000 of the health professions account--state appropriation is provided solely for implementation of Senate Bill No. 6290 (military spouses and partners). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(21) \$50,000 of the health professions account--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6237 (career pathway/medical assistants). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(22) \$21,000 of the health professions account--state appropriation is provided solely for implementation of Substitute Senate Bill No. 6328 (mental health professionals). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(23) \$148,000 of the health professions account--state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 6103 (reflexologists). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(24) \$28,000 of the health professions account--state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5620 (dental anesthesia assistants). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(25) Appropriations for fiscal year 2013 include funding for consolidation of the department of ecology's low-level radioactive

waste site use permit program in the department of health.

(26) During the remainder of the 2011-2013 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(27) \$15,000 of the health professions account--state appropriation is provided solely to implement Substitute House Bill No. 2056 (assisted living facilities). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(28) \$11,000 of the health professions account--state appropriation is provided solely to implement Engrossed House Bill No. 2186 (licensed midwives). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(29) \$11,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement Engrossed Substitute House Bill No. 2229 (hospital employees). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(30) \$48,000 of the health professions account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2314 (long-term care workers). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(31) \$15,000 of the general fund--state appropriation for fiscal year 2013 and \$178,000 of the health professions account--state appropriation are provided solely to implement Engrossed Substitute House Bill No. 2366 (suicide assessment and training). If the bill is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

(32) \$11,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement Engrossed Substitute House Bill No. 2582 (health care services billing). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(33) \$22,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement Substitute Senate Bill No. 6105 (prescription monitoring program). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 220.** 2011 2nd sp.s. c 9 s 219 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified in this section. However, after May 1, 2012, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2012 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

**(1) ADMINISTRATION AND SUPPORT SERVICES**

General Fund--State Appropriation (FY 2012)	<del>(\$54,529,000)</del>
\$52,529,000	
General Fund--State Appropriation (FY 2013)	<del>(\$53,210,000)</del>
\$52,981,000	
<b>TOTAL APPROPRIATION</b>	<del>(\$107,739,000)</del>
\$105,510,000	

The appropriations in this subsection are subject to the following conditions and limitations: \$35,000 of the general fund--state appropriation for fiscal year 2012 and \$35,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

**(2) CORRECTIONAL OPERATIONS**

General Fund--State Appropriation (FY 2012)	
<del>(\$609,105,000)</del>	
\$596,916,000	
General Fund--State Appropriation (FY 2013)	
<del>(\$602,804,000)</del>	
\$576,545,000	
General Fund--Federal Appropriation	\$3,324,000
Washington Auto Theft Prevention Authority Account--State Appropriation	\$14,079,000
Enhanced 911 Account--State Appropriation	\$2,000,000
<b>TOTAL APPROPRIATION</b>	<del>(\$1,229,312,000)</del>
\$1,192,864,000	

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

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

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

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

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

(e) The department of corrections shall contract with local and tribal governments for the provision of jail capacity to house offenders. A contract shall not have a cost of incarceration in excess of \$85 per day per offender. A contract shall not have a year-to-year increase in excess of three percent per year. The contracts may include rates for the medical care of offenders which exceed the daily cost of incarceration and the limitation on year-to-year increase, provided that medical payments conform to the department's offender health plan, pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff.

(f) \$311,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of House Bill No. 2346 (correctional officer uniforms). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(g) \$41,000 of the general fund--state appropriation for fiscal year 2012 and \$165,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester. The department may not house incarcerated offenders at the maple lane site until specifically directed by the legislature. By November 1, 2012, the department shall report to the appropriate fiscal committees of the house of representatives and the senate with a plan for the future use of the facility.

(h) By December 1, 2012, the department shall provide to the legislative fiscal committees a report that evaluates health care expenditures in Washington state correctional institutions and makes recommendations for controlling health care costs. The report shall evaluate the source of health care costs, including offender health issues, use of pharmaceuticals, offsite and specialist medical care, chronic disease costs, and mental health issues. The department may include information from other states on cost control in offender health care, trends in offender health care that indicate potential cost increases, and management of high-cost diagnoses.

(i) The department shall convene a work group to develop health care cost containment strategies at local jail facilities. The work group shall identify cost containment strategies in place at the department and at local jail facilities, identify the costs and benefits of implementing strategies in jail health-care facilities, and make recommendations on implementing beneficial strategies. The work group shall submit a report on its findings and recommendations to the fiscal committees of the legislature by October 1, 2013. The work group shall include jail administrators, representatives from health care facilities at the local jail level and the state prisons level, and other representatives as deemed necessary.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation	(FY 2012)	
<del>(\$129,635,000)</del>		
\$127,625,000		
General Fund--State Appropriation	(FY 2013)	
<del>(\$128,049,000)</del>		
\$128,571,000		
Federal Narcotics Forfeiture Account--Federal Appropriation	\$372,000	
Controlled Substances Account--State Appropriation	\$32,000	
<b>TOTAL APPROPRIATION</b>	<b><del>(\$258,088,000)</del></b>	
\$256,600,000		

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

(a) \$875,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to implement Engrossed Substitute House Bill No. 5891 (criminal justice cost savings). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(b) \$6,362,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement an evidence-based risk-needs-responsivity model for community supervision of offenders.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2012)	<del>(\$3,535,000)</del>
\$2,513,000	
General Fund--State Appropriation (FY 2013)	<del>(\$3,458,000)</del>
\$2,431,000	
<b>TOTAL APPROPRIATION</b>	<b><del>(\$6,993,000)</del></b>
\$4,944,000	

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

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2012)	<del>(\$37,053,000)</del>
\$36,045,000	
General Fund--State Appropriation (FY 2013)	<del>(\$35,549,000)</del>
\$32,322,000	
<b>TOTAL APPROPRIATION</b>	<b><del>(\$72,602,000)</del></b>
\$68,367,000	

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

(a) The state prison institutions may use funds appropriated in this subsection to rent uniforms from correctional industries in accordance with existing legislative mandates. If House Bill No. 2346 is enacted by June 30, 2012, this subsection (5)(a) is null and void as of June 30, 2012.

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

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

**Sec. 221.** 2011 2nd sp.s. c 9 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund--State Appropriation (FY 2012)	<del>(\$2,278,000)</del>
\$2,159,000	
General Fund--State Appropriation (FY 2013)	<del>(\$2,264,000)</del>
\$2,131,000	
General Fund--Federal Appropriation	<del>(\$19,082,000)</del>
\$19,239,000	
General Fund--Private/Local Appropriation	\$30,000
<b>TOTAL APPROPRIATION</b>	<b><del>(\$23,654,000)</del></b>
\$23,559,000	

**Sec. 222.** 2011 2nd sp.s. c 9 s 221 (uncodified) is amended to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund--Federal Appropriation	<del>(\$267,301,000)</del>
\$267,084,000	
General Fund--Private/Local Appropriation	<del>(\$33,931,000)</del>
\$33,860,000	
Unemployment Compensation Administration Account--Federal Appropriation	<del>(\$350,622,000)</del>
\$349,401,000	
Administrative Contingency Account--State Appropriation	<del>(\$20,948,000)</del>
\$20,942,000	
Employment Service Administrative Account--State Appropriation	<del>(\$33,721,000)</del>
\$33,618,000	

TOTAL APPROPRIATION ~~((706,523,000))~~  
\$704,905,000

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

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

(2) \$35,584,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903 (d), (f), and (g) of the social security act (Reed act). This amount is provided solely for the replacement of the unemployment insurance tax information system for the employment security department. The employment security department shall support the department of revenue and department of labor and industries to develop a common vision to ensure technological compatibility between the three agencies to facilitate a coordinated business tax system for the future that improves services to business customers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer created in Engrossed Substitute Senate Bill No. 5931 (information technology management).

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

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

(5) ~~((60,000))~~ \$80,000 of the unemployment compensation administration account--federal appropriation is provided solely for costs associated with the initial review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). The initial review shall be developed by the joint legislative audit and review committee. This appropriation is provided from funds made available to the state by section 903 (d), (f), and (g) of the social security act (Reed act).

(End of part)

### PART III

#### NATURAL RESOURCES

**Sec. 301.** 2011 2nd sp.s. c 9 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION  
General Fund--State Appropriation (FY 2012) ~~((402,000))~~  
\$401,000  
General Fund--State Appropriation (FY 2013) ~~((410,000))~~  
\$404,000  
General Fund--Federal Appropriation \$31,000  
General Fund--Private/Local Appropriation ~~((782,000))~~

\$775,000  
TOTAL APPROPRIATION ~~((1,625,000))~~  
\$1,611,000

**Sec. 302.** 2011 2nd sp.s. c 9 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY  
General Fund--State Appropriation (FY 2012) ~~((47,630,000))~~  
\$32,972,000  
General Fund--State Appropriation (FY 2013) ~~((46,226,000))~~  
\$28,735,000  
General Fund--Federal Appropriation ~~((77,452,000))~~  
\$100,000,000  
General Fund--Private/Local Appropriation ~~((16,691,000))~~  
\$16,714,000  
Special Grass Seed Burning Research Account--State  
Appropriation \$3,000  
Reclamation Revolving Account--State Appropriation  
~~((3,642,000))~~  
\$4,633,000  
Flood Control Assistance Account--State  
Appropriation ~~((1,940,000))~~  
\$1,929,000  
State Emergency Water Projects Revolving Account--State  
Appropriation \$270,000  
Waste Reduction/Recycling/Litter Control--State  
Appropriation ~~((11,478,000))~~  
\$9,715,000  
State Drought Preparedness Account--State  
Appropriation ~~((118,000))~~  
\$204,000  
State and Local Improvements Revolving Account  
(Water Supply Facilities)--State Appropriation ~~((423,000))~~  
\$422,000  
~~((Freshwater))~~ Aquatic Algae Control Account--State  
Appropriation \$509,000  
Water Rights Tracking System Account--State Appropriation  
\$46,000  
Site Closure Account--State Appropriation ~~((703,000))~~  
\$620,000  
Wood Stove Education and Enforcement Account--State  
Appropriation ~~((612,000))~~  
\$595,000  
Worker and Community Right-to-Know Account--State  
Appropriation ~~((1,668,000))~~  
\$1,655,000  
Water Rights Processing Account--State Appropriation  
~~((136,000))~~  
\$135,000  
State Toxics Control Account--State Appropriation  
~~((112,575,000))~~  
\$140,117,000  
State Toxics Control Account--Private/Local  
Appropriation ~~((968,000))~~  
\$964,000  
Local Toxics Control Account--State Appropriation ~~((27,390,000))~~  
\$26,160,000  
Water Quality Permit Account--State Appropriation ~~((37,748,000))~~  
\$38,833,000  
Underground Storage Tank Account--State  
Appropriation ~~((3,254,000))~~  
\$3,214,000  
Biosolids Permit Account--State Appropriation ~~((1,805,000))~~  
\$1,791,000  
Hazardous Waste Assistance Account--State  
Appropriation ~~((5,857,000))~~  
\$5,796,000

Air Pollution Control Account--State Appropriation	<del>(\$2,468,000)</del>
\$2,541,000	
Oil Spill Prevention Account--State Appropriation	<del>(\$5,566,000)</del>
\$5,492,000	
Air Operating Permit Account--State Appropriation	<del>(\$2,746,000)</del>
\$2,713,000	
Freshwater Aquatic Weeds Account--State Appropriation	<del>(\$1,700,000)</del>
\$1,698,000	
Oil Spill Response Account--State Appropriation	\$7,076,000
Metals Mining Account--State Appropriation	\$14,000
Water Pollution Control Revolving Account--State Appropriation	<del>(\$611,000)</del>
\$608,000	
Water Pollution Control Revolving Account--Federal Appropriation	<del>(\$2,517,000)</del>
\$2,501,000	
<b>TOTAL APPROPRIATION</b>	<b><del>(\$421,842,000)</del></b>
\$438,675,000	

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

(1) \$170,000 of the oil spill prevention account--state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(2) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Wastewater discharge permit, not more than 4.34 percent in fiscal year 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not more than 10 percent during the biennium; and air contaminate source registration fee, not more than 36 percent during the biennium; agricultural burning acreage and pile burning fees, not more than 25 percent and 100 percent respectively, in fiscal year 2013; and dam safety and inspection fees, not more than 35 percent in fiscal year 2012 and 4.62 percent in fiscal year 2013. Any fee increase implemented to offset general fund--state reductions in the 2011-2013 fiscal biennium may be made effective on or before July 1, 2012.

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

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

(5) Pursuant to RCW 70.93.180(5), the appropriations in this section from the waste reduction, recycling, and litter control account shall only be expended on activities listed under RCW 70.93.180(1) (a) and (b), and the department shall not expend appropriations on RCW 70.93.180(1)(c). The department may not spend waste reduction, recycling, and litter control account funds to support the following activities: The beyond waste plan, work on national solid waste recycling issues, work on construction and demolition recycling and green building alternatives, education programs including the green schools initiative, and management of the 1-800-recycle hotline and database on school awards. Waste reduction, recycling, and litter account control funds must be prioritized to support litter pickup using correctional crews, regulatory programs, and technical assistance to local governments.

(6) The department shall make every possible effort through its existing statutory authorities to obtain federal funding for public

participation grants regarding the Hanford nuclear reservation and associated properties and facilities. Such federal funding shall not limit the total state funding authorized under this section for public participation grants made pursuant to RCW 70.105D.070(5), but the amount of any individual grant from such federal funding shall be offset against any grant award amount to an individual grantee from state funds under RCW 70.105D.070(5).

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

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

(b) \$500,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for processing water right permit applications only if the department of ecology issues at least five hundred water right decisions in fiscal year 2012, and if the department of ecology does not issue at least five hundred water right decisions in fiscal year 2012 the amount provided in this subsection shall lapse and remain unexpended. The department of ecology shall submit a report to the office of financial management and the state treasurer by June 30, 2012, that documents whether five hundred water right decisions were issued in fiscal year 2012. For the purposes of this subsection, applications that are voluntarily withdrawn by an applicant do not count towards the five hundred water right decision requirement. For the purposes of water budget-neutral requests under chapter 173-539A WAC, multiple domestic connections authorized within a single water budget-neutral decision are considered one decision for the purposes of this subsection.

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

(8) \$1,075,000 of the general fund--state appropriation for fiscal year 2012 and \$1,075,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for processing the backlog of pending water rights permit applications in the water resources program.

(9) In accordance with RCW 43.135.055, the department is approved to adopt fees set forth in and previously authorized by the following statutes:

(a) RCW 70.275.120, mercury light generation fee; and

(b) RCW 70.94.151, gasoline vapor registration fee and greenhouse gas emission reporting fee.

(10) Pursuant to House Bill No. 2304 (low-level waste), the appropriations in this section for the low-level radioactive waste site use permit program are for fiscal year 2012. Appropriations for fiscal year 2013 are contained in section 219 of this act.

(11) Pursuant to RCW 90.16.090(2), the appropriations in this section from the reclamation account--state appropriation shall be expended for the activities listed in RCW 90.16.090(1), and the expenditures need not be proportional to fee revenue sources.

(12) \$2,000,000 of the state toxics control account--state appropriation is provided solely for the replacement of uncertified solid fuel burning devices and solid fuel burning devices manufactured prior to 1995 for low and middle-income families in air quality nonattainment areas under the federal clean air act (42 U.S.C. Sec. 7401 et seq.). The replacement heating device may include

certified solid fuel burning devices, pellet stoves, or a cleaner natural gas or electric home heating device.

(13) \$188,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the implementation of Engrossed Substitute Senate Bill No. 6406 (state natural resources). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(14) \$50,000 of the state toxics control account--state appropriation is provided solely to fulfill technical assistances duties prescribed in Senate Bill No. 6120 (children's safe products). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 303.** 2011 2nd sp.s. c 9 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2012)	\$8,955,000
General Fund--State Appropriation (FY 2013)	\$8,379,000
General Fund--Federal Appropriation	\$5,905,000
Winter Recreation Program Account--State Appropriation	<del>(\$1,761,000)</del>
	\$1,759,000
ORV and Nonhighway Vehicle Account--State Appropriation	\$224,000
Snowmobile Account--State Appropriation	<del>(\$4,848,000)</del>
	\$4,844,000
Aquatic Lands Enhancement Account--State Appropriation	<del>(\$363,000)</del>
	\$4,363,000
Parks Renewal and Stewardship Account--State Appropriation	<del>(\$116,087,000)</del>
	\$108,385,000
Parks Renewal and Stewardship Account--Private/Local Appropriation	\$300,000
TOTAL APPROPRIATION	<del>(\$146,822,000)</del>
	\$143,114,000

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

(1) \$8,876,000 of the general fund--state appropriation for fiscal year 2012 ~~(and)~~, \$8,300,000 of the general fund--state appropriation for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement account--state appropriation are provided solely to operate and maintain state parks as the commission implements a new fee structure. The goal of this structure is to make the parks system self-supporting. By August 1, 2012, state parks must submit a report to the office of financial management detailing its progress toward this goal and outlining any additional statutory changes needed for successful implementation.

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

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

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

(5) Within the appropriations contained in this section, the commission shall remove trees from Brooks memorial state park that have been killed or damaged by fire in order to ensure the recovery of

value from the sale of any timber that is surplus to the needs of the park. The commission shall remove such trees by September 30, 2012, and in a manner consistent with RCW 79A.05.035.

**Sec. 304.** 2011 2nd sp.s. c 9 s 304 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

General Fund--State Appropriation (FY 2012)	<del>(\$954,000)</del>
	\$898,000
General Fund--State Appropriation (FY 2013)	<del>(\$973,000)</del>
	\$823,000
General Fund--Federal Appropriation	<del>(\$3,299,000)</del>
	\$3,295,000
General Fund--Private/Local Appropriation	<del>(\$274,000)</del>
	\$24,000
Aquatic Lands Enhancement Account--State Appropriation	\$278,000
Vessel Response Account--State Appropriation	\$100,000
Firearms Range Account--State Appropriation	\$37,000
Recreation Resources Account--State Appropriation	<del>(\$2,874,000)</del>
	\$2,869,000
NOVA Program Account--State Appropriation	\$900,000
TOTAL APPROPRIATION	<del>(\$9,689,000)</del>
	\$9,224,000

The appropriations in this section are subject to the following conditions and limitations: \$40,000 of the general fund--federal appropriation, \$24,000 of the general fund--private/local appropriation, \$100,000 of the vessel response account--state appropriation, and \$12,000 of the recreation resources account--state appropriation are provided solely for House Bill No. 1413 (invasive species council). If the bill is not enacted by June 30, 2011, the amounts provided in this subsection shall lapse.

**Sec. 305.** 2011 2nd sp.s. c 9 s 305 (uncodified) is amended to read as follows:

FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE

General Fund--State Appropriation (FY 2012)	<del>(\$2,308,000)</del>
	\$2,153,000
General Fund--State Appropriation (FY 2013)	<del>(\$2,275,000)</del>
	\$2,032,000
TOTAL APPROPRIATION	<del>(\$4,583,000)</del>
	\$4,185,000

**Sec. 306.** 2011 2nd sp.s. c 9 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

General Fund--State Appropriation (FY 2012)	<del>(\$6,789,000)</del>
	\$6,785,000
General Fund--State Appropriation (FY 2013)	<del>(\$6,792,000)</del>
	\$5,759,000
General Fund--Federal Appropriation	\$1,301,000
TOTAL APPROPRIATION	<del>(\$14,882,000)</del>
	\$13,845,000

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

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

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

**Sec. 307.** 2011 2nd sp.s. c 9 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE			
General Fund--State Appropriation (FY 2012)			<del>(\$34,695,000)</del>
	\$34,112,000		
General Fund--State Appropriation (FY 2013)			<del>(\$32,388,000)</del>
	\$26,727,000		
General Fund--Federal Appropriation			<del>(\$105,717,000)</del>
	\$105,483,000		
General Fund--Private/Local Appropriation			<del>(\$57,025,000)</del>
	\$56,923,000		
ORV and Nonhighway Vehicle Account--State Appropriation			\$391,000
Aquatic Lands Enhancement Account--State			
Appropriation		<del>(\$8,230,000)</del>	
	\$9,863,000		
Recreational Fisheries Enhancement--State			
Appropriation		<del>(\$3,550,000)</del>	
	\$2,794,000		
Warm Water Game Fish Account--State Appropriation			<del>(\$3,051,000)</del>
	\$2,841,000		
Eastern Washington Pheasant Enhancement Account--State			
Appropriation	\$849,000		
Aquatic Invasive Species Enforcement Account--State			
Appropriation	\$204,000		
Aquatic Invasive Species Prevention Account--State			
Appropriation		<del>(\$719,000)</del>	
	\$848,000		
State Wildlife Account--State			Appropriation
	<del>(\$100,424,000)</del>		
	\$100,884,000		
Special Wildlife Account--State Appropriation			<del>(\$2,384,000)</del>
	\$2,382,000		
Special Wildlife Account--Federal Appropriation		\$500,000	
Special Wildlife Account--Private/Local			Appropriation
	\$3,415,000		
Wildlife Rehabilitation Account--State Appropriation	\$259,000		
Regional Fisheries Enhancement Salmonid Recovery			
Account--Federal Appropriation	\$5,001,000		
Oil Spill Prevention Account--State Appropriation			<del>(\$887,000)</del>
	\$883,000		
Oyster Reserve Land Account--State Appropriation			<del>(\$921,000)</del>
	\$919,000		
Hydraulic Project Approval Account--State			Appropriation
	\$415,000		
Recreation Resources Account--State Appropriation	\$2,300,000		
TOTAL APPROPRIATION			<del>(\$360,610,000)</del>
	\$357,993,000		

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

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

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

(a) A fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirement of RCW 77.32.010 on the

waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

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

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

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

(e) The Colville Tribes have agreed to recognize a fishing license issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal member fishing permit requirements of Colville tribal law on the reservation portion of the waters of Lake Rufus Woods and at designated fishing areas on the north shore of Lake Rufus Woods;

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

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

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

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

(7) Within the amounts appropriated in this section, the department shall identify additional opportunities for partnerships in order to keep fish hatcheries operational. Such partnerships shall aim to maintain fish production and salmon recovery with less reliance on state operating funds.

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

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

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

(11) (~~(\$9,418,000)~~) \$8,522,000 of the state wildlife account--state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 5622 (state land recreation access). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(12) \$50,000 of the state wildlife account--state appropriation is provided solely for mitigation, claims, and assessment costs for injury or loss of livestock caused by wolves, black bears, and cougars.

(13) \$552,000 of the aquatic lands enhancement account--state appropriation is provided solely for increased law enforcement capacity to reduce the occurrence of geoduck poaching and illegal harvest activities. The department shall fill current vacant law enforcement positions prior to filling the new positions created under this subsection.

(14) \$415,000 of the hydraulic project approval--state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 6406 (state natural resources). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 308.** 2011 2nd sp.s. c 9 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund--State Appropriation (FY 2012)	<del>(\$31,324,000)</del>
\$30,912,000	
General Fund--State Appropriation (FY 2013)	<del>(\$35,791,000)</del>
\$33,423,000	
General Fund--Federal Appropriation	<del>(\$27,919,000)</del>
\$27,873,000	
General Fund--Private/Local Appropriation	<del>(\$2,374,000)</del>
\$2,372,000	
Forest Development Account--State Appropriation	<del>(\$41,717,000)</del>
\$44,783,000	
ORV and Nonhighway Vehicle Account--State Appropriation	<del>(\$4,387,000)</del>
\$4,373,000	
Surveys and Maps Account--State Appropriation	<del>(\$2,346,000)</del>
\$2,118,000	
Aquatic Lands Enhancement Account--State Appropriation	<del>(\$7,224,000)</del>
\$1,178,000	
Resources Management Cost Account--State Appropriation	<del>(\$82,097,000)</del>
\$89,154,000	
Surface Mining Reclamation Account--State Appropriation	<del>(\$3,484,000)</del>
\$3,470,000	
Disaster Response Account--State Appropriation	\$5,000,000
Forest and Fish Support Account--State Appropriation	<del>(\$7,933,000)</del>
\$9,784,000	
Aquatic Land Dredged Material Disposal Site Account--State Appropriation	\$838,000
Natural Resources Conservation Areas Stewardship Account--State Appropriation	\$34,000
State Toxics Control Account--State Appropriation	\$80,000
Air Pollution Control Account--State Appropriation	<del>(\$669,000)</del>
\$540,000	
NOVA Program Account--State Appropriation	<del>(\$639,000)</del>
\$635,000	
Derelict Vessel Removal Account--State Appropriation	\$1,761,000
Agricultural College Trust Management Account--State Appropriation	<del>(\$1,854,000)</del>
\$1,848,000	
Marine Resources Stewardship Account--State Appropriation	\$2,100,000

Forest Practices Application Account--State	\$780,000
TOTAL APPROPRIATION	<del>(\$257,471,000)</del>
\$263,056,000	

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

(1) \$710,000 of the general fund--state appropriation for fiscal year 2012 and \$915,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) \$8,030,000 of the general fund--state appropriation for fiscal year 2012, (~~(\$10,037,000)~~) \$8,819,000 of the general fund--state appropriation for fiscal year 2013, \$595,000 of the forest development account--state appropriation for fiscal year 2013, and \$5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations. The department of natural resources shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from the disaster response account. This work shall be done in coordination with the military department.

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

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

(5) \$487,000) \$4,500,000 of the forest and fish support account--state appropriation is provided solely for outcome-based performance contracts with tribes to participate in the implementation of the forest practices program. Contracts awarded in fiscal year 2013 may only contain indirect costs set at or below the rate in the contracting tribe's indirect cost agreement with the federal government. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(4) \$518,000 of the forest and fish support account--state appropriation is provided solely for outcome-based performance contracts with nongovernmental organizations to participate in the implementation of the forest practices program. Contracts awarded in fiscal year 2013 may only contain indirect cost set at or below a rate of eighteen percent.

(5) During the 2011-2013 fiscal biennium, \$717,000 of the ((general fund)) forest and fish support account--state appropriation is provided solely to fund interagency agreements with the department of ecology and the department of fish and wildlife as part of the adaptive management process.

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

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

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

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

(10) \$780,000 of the forest practices application account--state appropriation, \$18,000 of the forest development account--state appropriation, \$22,000 of the resources management cost account--state appropriation, and \$2,000 of the surface mining reclamation account--state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 6406 (state natural resources). If the bill is not enacted by June 30, 2012, the amounts provided in this subsection shall lapse.

(11) \$2,100,000 of the marine resources stewardship account--state appropriation is provided solely for the implementation of Second Substitute Senate Bill No. 6263 (marine management planning). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(12) In partnership with the department of ecology, the departments shall deliver a report to the governor, the appropriate committees of the legislature, and the forest practices board by September 1, 2012, documenting forest practices adaptive management program reforms implemented, or recommended, that streamline existing processes to increase program efficiencies and effectiveness. The departments shall collaborate with interested adaptive management program participants in the development of the report.

**Sec. 309.** 2011 2nd sp.s. c 9 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE  
 General Fund--State Appropriation (FY 2012) ~~((15,484,000))~~  
 \$15,435,000  
 General Fund--State Appropriation (FY 2013) ~~((14,875,000))~~  
 \$14,565,000  
 General Fund--Federal Appropriation ~~((22,940,000))~~  
 \$22,815,000  
 General Fund--Private/Local Appropriation \$190,000  
 Aquatic Lands Enhancement Account--State  
 Appropriation ~~((2,553,000))~~  
 \$2,544,000  
 State Toxics Control Account--State Appropriation ~~((5,118,000))~~  
 \$5,093,000  
 Water Quality Permit Account--State Appropriation \$60,000  
 Freshwater Aquatic Weeds Account--State Appropriation  
 \$280,000  
 TOTAL APPROPRIATION ~~((61,500,000))~~  
 \$60,982,000

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

(1) \$5,308,445 of the general fund--state appropriation for fiscal year 2012 and \$5,302,905 of the general fund--state appropriation for fiscal year 2013 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees in the 2011-2013 fiscal biennium as necessary to meet the actual costs of conducting business: Fruit and vegetable platform inspections; grain program services; warehouse audits; requested inspections; seed inspections, testing, sampling and certifications; phytosanitary certifications for seed; commission

merchants; and sod quality seed tags and tagging. In addition, pursuant to RCW 43.135.055, 17.21.134, and 15.58.240, the department is authorized to establish pesticide license examination fees.

**Sec. 310.** 2011 2nd sp.s. c 9 s 310 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Program Trust  
 Account--State Appropriation ~~((668,000))~~  
 \$661,000

**Sec. 311.** 2011 2nd sp.s. c 9 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP  
 General Fund--State Appropriation (FY 2012) ~~((2,399,000))~~  
 \$2,273,000  
 General Fund--State Appropriation (FY 2013) ~~((2,424,000))~~  
 \$2,253,000  
 General Fund--Federal Appropriation ~~((9,581,000))~~  
 \$12,428,000  
 General Fund--Private/Local Appropriation \$25,000  
 Aquatic Lands Enhancement Account--State  
 Appropriation \$493,000  
 State Toxics Control Account--State Appropriation ~~((665,000))~~  
 \$658,000  
 TOTAL APPROPRIATION ~~((15,587,000))~~  
 \$18,130,000

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

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

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

(End of part)

#### PART IV

#### TRANSPORTATION

**Sec. 401.** 2011 2nd sp.s. c 9 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING  
 General Fund--State Appropriation (FY 2012) ~~((1,167,000))~~  
 \$1,163,000  
 General Fund--State Appropriation (FY 2013) ~~((1,307,000))~~  
 \$1,285,000  
 Architects' License Account--State Appropriation ~~((1,084,000))~~  
 \$1,075,000  
 Professional Engineers' Account--State  
 Appropriation ~~((3,518,000))~~

\$3,493,000			
Real Estate Commission Account--State	Appropriation		
<del>(\$9,833,000)</del>			
\$9,701,000			
Uniform Commercial Code Account--State	Appropriation		
<del>(\$3,120,000)</del>			
\$3,108,000			
Real Estate Education Account--State	Appropriation	\$276,000	
Real Estate Appraiser Commission Account--State	Appropriation		
<del>(\$1,687,000)</del>			
\$1,656,000			
Business and Professions Account--State	Appropriation		
<del>(\$15,592,000)</del>			
\$15,609,000			
Real Estate Research Account--State	Appropriation	\$622,000	
Geologists' Account--State	Appropriation	\$51,000	
Derelect Vessel Removal Account--State	Appropriation		
\$31,000			
TOTAL APPROPRIATION			<del>(\$38,288,000)</del>
\$38,070,000			

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

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

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

(3) \$150,000 of the business and professions account--state appropriation is provided solely to implement Substitute House Bill No. 2301 (mixed martial arts, boxing, martial arts, and wrestling). Pursuant to RCW 43.135.055 and 43.24.086, the department is authorized to charge and increase fees to defray the cost of administering the program, consistent with RCW 67.08.105. If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(4) Pursuant to RCW 43.135.055 and 43.24.086, the department is authorized to increase fees for the camping resort program. This increase is necessary to support the expenditures authorized in this section, consistent with RCW 19.105.411.

**Sec. 402.** 2011 2nd sp.s. c 9 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2012)	<del>(\$37,352,000)</del>
\$35,400,000	

General Fund--State Appropriation (FY 2013)	<del>(\$35,108,000)</del>
\$32,901,000	

General Fund--Federal Appropriation	\$16,081,000
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General Fund--Private/Local Appropriation	\$3,021,000
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Death Investigations Account--State Appropriation	<del>(\$5,551,000)</del>
\$5,537,000	

County Criminal Justice Assistance Account--State	
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Appropriation	<del>(\$3,215,000)</del>
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\$3,207,000	
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Municipal Criminal Justice Assistance Account--State	
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Appropriation	<del>(\$1,290,000)</del>
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\$1,286,000	
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Fire Service Trust Account--State Appropriation	\$131,000
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Disaster Response Account--State Appropriation	\$8,002,000
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Fire Service Training Account--State Appropriation	<del>(\$9,394,000)</del>
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\$9,386,000	
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Aquatic Invasive Species Enforcement Account--State	
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Appropriation	\$54,000
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State Toxics Control Account--State Appropriation	\$505,000
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Fingerprint Identification Account--State	
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Appropriation	<del>(\$10,090,000)</del>
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\$10,067,000	
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Vehicle License Fraud Account--State	Appropriation	<del>(\$339,000)</del>
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\$437,000	
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TOTAL APPROPRIATION	<del>(\$130,133,000)</del>
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\$126,015,000	
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The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) \$8,000,000 of the disaster response account--state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 and 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) \$400,000 of the fire service training account--state appropriation is provided solely for the firefighter apprenticeship training program.

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

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

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

(7) \$1,000 of the fingerprint identification account--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 6296 (background checks). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(End of part)

## PART V

### EDUCATION

**Sec. 501.** 2011 2nd sp.s. c 9 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2012)	<del>(\$25,406,000)</del>
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\$25,322,000	
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General Fund--State Appropriation (FY 2013)	<del>(\$22,502,000)</del>
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\$27,043,000	
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General Fund--Federal Appropriation	<del>(\$77,065,000)</del>
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\$77,011,000	
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General Fund--Private/Local Appropriation	\$4,000,000
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TOTAL APPROPRIATION	<del>(\$128,973,000)</del>
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\$133,376,000

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

(1) A maximum of (~~(\$16,139,000)~~) \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$13,335,000)~~) \$14,878,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) (~~(\$9,775,000)~~) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$8,532,000)~~) \$8,172,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

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

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

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

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

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

(d) \$1,744,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$1,362,000)~~) \$1,387,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to the professional educator standards board for the following:

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

(ii) \$694,000 of the general fund--state appropriation for fiscal year 2012 and \$312,000 of the general fund--state appropriation for fiscal year 2013 are for conditional scholarship loans and mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board, including the pipeline for paraeducators program and the retooling to teach conditional loan programs. Funding within this subsection

(1)(d)(ii) is also provided for the recruiting Washington teachers program. Funding reductions in this subsection (1)(d)(ii) in the 2011-2013 fiscal biennium are intended to be one-time; and

(iii) \$25,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the professional educator standards board to develop educator interpreter standards and identify interpreter assessments that are available to school districts. Interpreter assessments should meet the following criteria: (A) Include both written assessment and performance assessment; (B) be offered by a national organization of professional sign language interpreters and transliterators; and (C) be designed to assess performance in more than one sign system or sign language. The board shall establish a performance standard, defining what constitutes a minimum assessment result, for each educational interpreter assessment identified. The board shall publicize the standards and assessments for school district use.

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

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

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

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

(i) \$1,227,000 of the general fund--state appropriation for fiscal year 2012 and \$1,227,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(j) \$25,000 of the general fund--state appropriation for fiscal year 2012 and \$25,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for project citizen, a program sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle school students.

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

(l) \$1,500,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of House Bill No. 2799 (collaborative schools). If such legislation is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(m) \$128,000 of the general fund--state appropriation for fiscal year 2013 is provided solely pursuant to Substitute House Bill No. 2254 (foster care outcomes). The office of the superintendent of public instruction shall report on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth. The first report is due December 1, 2012, and annually thereafter through 2015. If the bill is not enacted by June 30, 2012, the amount provided in this

subsection shall lapse.  
 (n) \$250,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of House Bill No. 2337 (open K-12 education resources). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(2) \$9,267,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$9,167,000)~~ \$12,167,000 of the general fund--state appropriation for fiscal year 2013 are for statewide programs.

(a) HEALTH AND SAFETY

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

(ii) \$50,000 of the general fund--state appropriation for fiscal year 2012 and \$50,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership.

(b) TECHNOLOGY

\$1,221,000 of the general fund--state appropriation for fiscal year 2012 and \$1,221,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) \$675,000 of the general fund--state appropriation for fiscal year 2012 and \$675,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(ii) \$1,000,000 of the general fund--state appropriation for fiscal year 2012 and \$1,000,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007.

(iii) \$2,808,000 of the general fund--state appropriation for fiscal year 2012 and \$2,808,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the dissemination of the navigation 101 curriculum to all districts. The funding shall support electronic student planning tools and software for analyzing the impact of navigation 101 on student performance, as well as grants to a maximum of one hundred school districts each year, based on progress and need for the implementation of the navigation 101 program. The implementation grants shall be awarded to a cross-section of school districts reflecting a balance of geographic and demographic characteristics. Within the amounts provided, the office of the superintendent of public instruction will create a navigation 101 accountability model to analyze the impact of the program.

(iv) \$337,000 of the general fund--state appropriation for fiscal year 2012 and \$337,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for implementation of the building bridges statewide program for comprehensive dropout prevention, intervention, and reengagement strategies.

(v) \$135,000 of the general fund--state appropriation for fiscal year 2012 and \$135,000 of the general fund--state appropriation for

fiscal year 2013 are provided solely for dropout prevention programs at the office of the superintendent of public instruction, including the jobs for America's graduates (JAG) program.

(vi) \$500,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$400,000)~~ \$1,400,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 340, Laws of 2011 (assessment of students in state-funded full-day kindergarten classrooms), including the development and implementation of the Washington kindergarten inventory of developing skills (WaKIDS). Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013 appropriation is for the implementation of House Bill No. 2586 (kindergarten inventory). If the bill is not enacted by June 30, 2012, this amount shall lapse.

(vii) \$2,000,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an urban school turnaround initiative as follows:

(A) The office of the superintendent of public instruction shall select two schools in the largest urban school district in the state. The selected schools shall be among the state's lowest-performing schools; be located within the same community and form a continuum of education for the students in that community; have significant educational achievement gaps; and include a mix of elementary, middle, or high schools.

(B) The office shall allocate the funds under this subsection (vii) to the school district to be used exclusively in the selected schools. The district may not charge an overhead or indirect fee for the allocated funds or supplant other state, federal, or local funds in the selected schools. The school district shall use the funds for intensive supplemental instruction, services, and materials in the selected schools in the 2012-13 school year, including but not limited to professional development for school staff; updated curriculum, materials, and technology; extended learning opportunities for students; reduced class size; summer enrichment activities; school-based health clinics; and other research-based initiatives to dramatically turn around the performance and close the achievement gap in the schools. Priorities for the expenditure of the funds shall be determined by the leadership and staff of each school.

(C) The office shall monitor the activities in the selected schools and the expenditure of funds to ensure the intent of this subsection (vii) is met, and submit a report to the legislature by December 1, 2013, including outcomes resulting from the urban school turnaround initiative. The report submitted to the legislature must include a comparison of student learning achievement in the selected schools with schools of comparable demographics that have not participated in the grant program.

(D) Funding provided in this subsection (vii) is intended to be one-time.

**Sec. 502.** 2011 2nd sp.s. c 9 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
 FOR GENERAL APPORTIONMENT

General Fund--State	Appropriation	(FY	2012)
<del>(\$5,253,769,000)</del>			
\$5,241,233,000			
General Fund--State	Appropriation	(FY	2013)
<del>(\$5,205,868,000)</del>			
\$4,840,854,000			
General Fund--Federal Appropriation		<del>(\$22,078,000)</del>	
\$22,327,000			
	TOTAL APPROPRIATION	<del>(\$10,481,715,000)</del>	
		\$10,104,414,000	

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

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2011-12 and 2012-13 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2011 to August 31, 2011, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 504, chapter 564, Laws of 2009, as amended through sections 1402 and 1403 of this act.

(d) The appropriations in this section include federal funds provided through section 101 of P.L. No. 111-226 (education jobs fund), which shall be used to support general apportionment program funding. In distributing general apportionment allocations under this section for the 2011-12 school year, the superintendent shall include the additional amount of (~~(\$3,078,000)~~) \$3,327,000 allocated by the United States department of education on September 16, 2011, provided through 101 of P.L. No. 111-226 (education jobs fund) as part of each district's general apportionment allocation.

(e) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

**(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS**

Allocations for certificated instructional staff salaries for the 2011-12 and 2012-13 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:	
Grade	RCW 28A.150.260
Grades K-3	25.23
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

The superintendent shall base allocations for career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty school:	
Grades K-3	24.10
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iv) Laboratory science, advanced placement, and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 students:

Career and Technical Education students	2.02 per 1000 student FTE's
Skill Center students	2.36 per 1000 student FTE's

**(3) ADMINISTRATIVE STAFF ALLOCATIONS**

(a) Allocations for school building-level certificated administrative staff salaries for the 2011-12 and 2012-13 school years for general education students are determined using the formula-generated staff units provided in RCW 28A.150.260, and adjusted based on a district's annual average full-time equivalent student enrollment in each grade.

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that exceed the general education rate in (a) of this subsection by the following percentages:

Career and Technical Education students	2.5 percent
Skill Center students	19.75 percent

**(4) CLASSIFIED STAFF ALLOCATIONS**

Allocations for classified staff units providing school building-level and district-wide support services for the 2011-12 and 2012-13 school years are determined using the formula-generated staff units

provided in RCW 28A.150.260, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade.

#### (5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2011-12 and 2012-13 school year for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 3.69 percent for career and technical education students, and 21.92 percent for skill center students.

#### (6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 16.33 percent in the 2011-12 school year and ~~((16.33))~~ 16.34 percent in the 2012-13 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 18.73 percent in the 2011-12 school year and 18.73 percent in the 2012-13 school year for classified salary allocations provided under subsections (4) and (5) of this section.

#### (7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

#### (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a) MSOC funding for general education students are allocated at the following per student rates:

#### MSOC RATES/STUDENT FTE

MSOC Component	2011-12 SCHOOL YEAR	2012-13 SCHOOL YEAR
Technology	\$57.42	<del>((58.17))</del> <u>\$58.28</u>
Utilities and Insurance	\$156.03	<del>((158.05))</del> <u>\$158.37</u>
Curriculum and Textbooks	\$61.65	<del>((62.45))</del> <u>\$62.58</u>
Other Supplies and Library Materials	\$130.89	<del>((132.59))</del> <u>\$132.85</u>
Instructional Professional Development for Certificated and Classified Staff	\$9.53	<del>((9.66))</del> <u>\$9.68</u>
Facilities Maintenance	\$77.30	<del>((78.30))</del> <u>\$78.46</u>
Security and Central Office	\$53.55	<del>((54.25))</del> <u>\$54.35</u>
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	<del>((553.47))</del> <u>\$554.57</u>

(b) Students in approved skill center programs generate per student FTE MSOC allocations which equal the rate for general education students calculated in (a) of this subsection, multiplied by a factor of 2.171.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation that is equal to the rate for general education students calculated in (a) of this subsection, multiplied by a factor of 2.442.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

#### (9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2011-12 and 2012-13 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

#### (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section are adjusted to reflect provisions of House Bill No. 2065 (allocation of funding for funding for students enrolled in alternative learning experiences).

(b) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

#### (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund voluntary full day kindergarten programs in qualifying high poverty schools, pursuant to RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls for the voluntary full-day program in a qualifying school

shall count as one-half of one full-time equivalent student for purpose of making allocations under this section. Funding in this section provides full- day kindergarten programs for 21 percent of kindergarten enrollment in the 2011-12 school year, and 22 percent in the 2012-13 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced price lunch eligibility rates in each school. Funding in this section is sufficient to fund voluntary full day kindergarten programs for July and August of the 2010-11 school year.

**(12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS**

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full-time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full-time equivalent students;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit;

(e) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under subsection (12) of this section shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(13) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(14) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2012 and 2013 as follows:

(a) \$589,000 of the general fund--state appropriation for fiscal year 2012 and (~~(\$597,000)~~) \$598,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) \$436,000 of the general fund--state appropriation for fiscal year 2012 and \$436,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(c) Funding in this section is sufficient to fund adjustments to school districts' allocations resulting from the implementation of the prototypical school funding formula, pursuant to chapter 236, Laws of 2010 (K-12 education funding). The funding in this section is intended to hold school districts harmless in total for funding changes resulting from conversion to the prototypical school formula in the general apportionment program, the learning assistance program, the transitional bilingual program, and the highly capable program, after adjustment for changes in enrollment and other caseload adjustments.

(15) \$208,000 of the general fund--state appropriation for fiscal year 2012 and \$211,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for school district emergencies as certified by the superintendent of public instruction. At the close of the fiscal year the superintendent of public instruction shall report to

the office of financial management and the appropriate fiscal committees of the legislature on the allocations provided to districts and the nature of the emergency.

(16) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(17) Beginning in the 2011-12 school year, students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment. In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may (~~average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution~~) utilize the average of the student's running start FTE enrollment on nine count dates from the institution of higher education and the average of the student's high school FTE enrollment from September through June, adjusting for any differences in start and end dates provided by the institution of higher education and the high school, provided the final per-student FTE does not exceed the 1.2 maximum. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the higher education coordinating board, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

(18) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (12) of this section, the following apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (12) of this section shall be reduced in increments of twenty percent per year.

(19)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 15 percent of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

(20) \$10,000,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the superintendent for financial contingency funds for eligible school districts as a result of delaying a portion of the June apportionment payment. The financial contingency funds shall be allocated to eligible districts in the form of an advance of their respective general apportionment allocations.

(a) Eligibility:

The superintendent shall determine a district's eligibility for receipt of financial contingency funds, and districts shall be eligible only if the following conditions are met:

(i) A petition is submitted by the school district as provided in RCW 28A.510.250 and WAC 392-121-436; and

(ii) The district's projected general fund balance for the month of

March is less than one-half of one percent of its budgeted general fund expenditures as submitted to the superintendent for the 2012-13 school year on the F-195 report.

(b) Calculations:

The superintendent shall calculate the financial contingency allocation to each district as the lesser of:

(i) The amount set forth in the school district's resolution;

(ii) An amount not to exceed ten percent of the total amount to become due and apportionable to the district from September 1st through August 31st of the current school year;

(iii) The highest negative monthly cash and investment balance of the general fund between the date of the resolution and May 31st of the school year based on projections approved by the county treasurer and the educational service district.

(c) Repayment:

For any amount allocated to a district in state fiscal year 2013, the superintendent shall deduct in state fiscal year 2014 from the district's general apportionment the amount of the emergency contingency allocation and any earnings by the school district on the investment of a temporary cash surplus due to the emergency contingency allocation. Repayments or advances will be accomplished by a reduction in the school district's apportionment payments on or before June 30th of the school year following the distribution of the emergency contingency allocation. All disbursements, repayments, and outstanding allocations to be repaid of the emergency contingency pool shall be reported to the office of financial management and the appropriate fiscal committees of the legislature on July 1st and January 1st of each year.

NEW SECTION. Sec. 503. A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR JUNE 2013 GENERAL APPORTIONMENT

General Fund--State Appropriation (FY 2013)                   \$340,000,000

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

(1) The purpose of this contingent appropriation is to ensure a responsible ending fund balance while avoiding delay in providing funding to school districts by making the June 2013 general apportionment payment to school districts if the June 2013 revenue forecast indicates that sufficient revenues are available to support the expenditure.

(2) The amount in this section is provided solely for the June 2013 general apportionment payment to school districts that would otherwise be paid in that month but for the delay to July 2013 required by House Bill No. 2129 (apportionment payment).

(3) This section takes effect June 25, 2013, only if the June 2013 forecast adopted by the economic and revenue forecast council pursuant to RCW 82.33.030 projects that state general fund revenues for the 2011-2013 fiscal biennium will exceed \$30,817,314,000.

(4) The economic and revenue forecast council must provide notice of the contingency in subsection (3) of this section to the chief clerk of the house of representatives, the secretary of the senate, the statute law committee, the superintendent of public instruction, the governor, and others as deemed appropriate by the council.

Sec. 504. 2011 2nd sp.s. c 9 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
BASIC EDUCATION EMPLOYEE COMPENSATION

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in RCW 28A.150.280 and under section 503 of this act:

(a) Salary allocations for certificated instructional staff units are determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the

district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on May 23, 2011, at 16:10 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on May 23, 2011, at 16:10 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 15.69 percent for school year 2011-12 and ~~(15.69)~~ 15.70 percent for school year 2012-13 for certificated instructional and certificated administrative staff and 15.23 percent for school year 2011-12 and 15.23 percent for the 2012-13 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

9	40,353	41,459	42,933	46,106	48,373	46,34	49,518	51,785
10		42,806	44,387	47,602	49,945	47,79	51,014	53,356
11			45,883	49,169	51,558	49,29	52,581	54,969
12			47,332	50,777	53,238	50,85	54,188	56,650
13				52,425	54,959	52,46	55,836	58,370
14				54,081	56,745	54,11	57,600	60,157
15				55,488	58,221	55,52	59,098	61,721
16 or more				56,597	59,385	56,63	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12  
\*\*\*Education Experience\*\*\*

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13  
\*\*\*Education Experience\*\*\*

Ye ars of	MA +90 OR	Ye ars of	MA +90 OR
Ser vic e	BA +1 5	BA +3 0	BA +4 5
0	33,40	34,303	35,238
1	33,85	34,765	35,712
2	34,27	35,202	36,159
3	34,72	35,653	36,620
4	35,15	36,127	37,099
5	35,60	36,578	37,561
6	36,06	37,017	38,032
7	36,86	37,839	38,868
8	38,05	39,074	40,127
0	40,051	41,045	42,016
1	40,051	41,045	42,016
2	40,093	41,086	42,058
3	41,036	42,029	43,001
4	41,080	42,071	43,043
5	42,026	43,017	44,086
6	42,072	44,062	45,129
7	43,019	45,007	46,172
8	44,065	46,051	47,215
0	44,989	45,966	46,942
1	44,989	45,966	46,942
2	45,912	46,888	47,864
3	46,837	47,813	48,789
4	46,857	47,833	48,808
5	47,739	48,715	49,690
6	47,739	48,715	49,690
7	48,768	49,744	50,719
8	50,654	51,630	52,605
0	44,989	45,966	46,942
1	44,989	45,966	46,942
2	45,912	46,888	47,864
3	46,837	47,813	48,789
4	46,857	47,833	48,808
5	47,739	48,715	49,690
6	47,739	48,715	49,690
7	48,768	49,744	50,719
8	50,654	51,630	52,605

9	40, 353	41, 459	42, 933	46, 106	48,3 73	46, 34	49, 518	51, 785
10		42, 806	44, 387	47, 602	49,9 45	47, 79	51, 014	53, 356
11			45, 883	49, 169	51,5 58	49, 29	52, 581	54, 969
12			47, 332	50, 777	53,2 38	50, 85	54, 188	56, 650
13				52, 425	54,9 59	52, 46	55, 836	58, 370
14				54, 081	56,7 45	54, 11	57, 600	60, 157
15				55, 488	58,2 21	55, 52	59, 098	61, 721
16 or mo re				56, 597	59,3 85	56, 63	60, 279	62, 955

LEAP Document 2, defined in section 504(2)(b) of this act. Allocations for these salary adjustments shall be provided to all districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule.

(b) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 504(2)(b) of this act.

(c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 504(2)(b) of this act.

(d) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at 15.69 percent for the 2011-12 school year and ((15.69)) 15.70 percent for the 2012-13 school year for certificated instructional and certificated administrative staff and 15.23 percent for the 2011-12 school year and 15.23 percent for the 2012-13 school year for classified staff.

(e) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 503 and 504 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 503 and 504 of this act.

(f) The appropriations in this section include no salary adjustments for substitute teachers.

(2) The maintenance rate for insurance benefit allocations is \$768.00 per month for the 2011-12 and 2012-13 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$768.00 per month for the 2011-12 school year and \$768.00 per month for the 2012-13 school year.

(3) The rates specified in this section are subject to revision each year by the legislature.

**Sec. 506.** 2011 2nd sp.s. c 9 s 505 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR PUPIL TRANSPORTATION**

General Fund--State	Appropriation	(FY	2012)
((322,033,000))			
\$322,243,000			
General Fund--State	Appropriation	(FY	2013)
((273,380,000))			
\$273,642,000			
<b>TOTAL APPROPRIATION</b>		<b>((595,413,000))</b>	
		<b>\$595,885,000</b>	

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for the transportation of students as provided in RCW 28A.160.192.

(b) From July 1, 2011 to August 31, 2011, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 564, Laws of 2009, as amended through section 1404 of this act.

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this part V, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

**Sec. 505.** 2011 2nd sp.s. c 9 s 504 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**  
General Fund--Federal Appropriation \$2,000

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

(1)(a) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in

(3) Any amounts appropriated for maintenance level funding for pupil transportation that exceed actual maintenance level expenditures as calculated under the funding formula that takes effect September 1, 2011, shall be distributed to districts according to RCW 28A.160.192(2)(b).

(4) A maximum of \$892,000 of this fiscal year 2012 appropriation and a maximum of \$892,000 of the fiscal year 2013 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(5) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(6) The superintendent of public instruction shall base depreciation payments for school district buses on the pre-sales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

(7) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(8) Starting with the 2012-13 school year, the office of the superintendent of public instruction shall disburse payments for bus depreciation in August.

**Sec. 507.** 2011 2nd sp.s. c 9 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR SPECIAL EDUCATION PROGRAMS

General Fund--State	Appropriation	(FY	2012)
			<del>(\$653,904,000)</del>
			\$648,369,000
General Fund--State	Appropriation	(FY	2013)
			<del>(\$694,237,000)</del>
			\$679,832,000
General Fund--Federal Appropriation			<del>(\$486,936,000)</del>
			\$486,922,000
Education Legacy Trust Account--State	Appropriation		\$756,000
TOTAL APPROPRIATION			<del>(\$1,835,833,000)</del>
			\$1,815,879,000

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

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

- (i) Special education students are basic education students first;
- (ii) As a class, special education students are entitled to the full basic education allocation; and
- (iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(c) Beginning with the 2010-11 school year award cycle, the office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390.

(b) From July 1, 2011 to August 31, 2011, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 564, Laws of 2009, as amended through section 1406 of this act.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund--state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with RCW 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) \$8,914,000 of the general fund--state appropriation for fiscal year 2012, \$34,200,000 of the general fund--state appropriation for fiscal year 2013, and \$29,574,000 of the general fund--federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2011-12 and 2012-13 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

(b) From July 1, 2011 to August 31, 2011, the superintendent shall operate the safety net oversight committee and shall award safety net funds as provided in section 507, chapter 564, Laws of 2009, as amended through section 1406 of this act.

(8) A maximum of \$678,000 may be expended from the general fund-- state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund--state funds allocated under

this program; however, carryover funds shall be expended in the special education program.

(11) \$251,000 of the general fund--state appropriation for fiscal year 2012 and \$251,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(12) \$50,000 of the general fund--state appropriation for fiscal year 2012, \$50,000 of the general fund--state appropriation for fiscal year 2013, and \$100,000 of the general fund--federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction.

**Sec. 508.** 2011 2nd sp.s. c 9 s 508 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR EDUCATIONAL SERVICE DISTRICTS**

General Fund--State Appropriation (FY 2012)	<del>(\$7,889,000)</del>
\$7,894,000	
General Fund--State Appropriation (FY 2013)	<del>(\$7,904,000)</del>
\$7,912,000	
<b>TOTAL APPROPRIATION</b>	<del><b>(\$15,793,000)</b></del>
\$15,806,000	

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.310.340, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

**Sec. 509.** 2011 2nd sp.s. c 9 s 509 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR LOCAL EFFORT ASSISTANCE**

General Fund--State Appropriation (FY 2012)	<del>(\$300,761,000)</del>
\$300,768,000	
General Fund--State Appropriation (FY 2013)	<del>(\$299,276,000)</del>
\$298,166,000	
General Fund--Federal Appropriation	\$4,400,000
<b>TOTAL APPROPRIATION</b>	<del><b>(\$600,037,000)</b></del>
\$603,334,000	

The appropriations in this section are subject to the following conditions and limitations: For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 3 percent from the 2010-11 school year to the 2011-12 school year and 5 percent from the 2011-12 school year to the 2012-13 school year.

**Sec. 510.** 2011 2nd sp.s. c 9 s 510 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2012)	<del>(\$17,507,000)</del>
\$16,694,000	
General Fund--State Appropriation (FY 2013)	<del>(\$16,969,000)</del>
\$15,867,000	
<b>TOTAL APPROPRIATION</b>	<del><b>(\$34,476,000)</b></del>
\$32,561,000	

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

(1) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) ~~(\$669,000)~~ \$586,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$669,000)~~ \$549,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**Sec. 511.** 2011 2nd sp.s. c 9 s 511 (uncodified) is amended to read as follows:

**FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund--State Appropriation (FY 2012)	<del>(\$8,759,000)</del>
\$8,745,000	
General Fund--State Appropriation (FY 2013)	<del>(\$8,842,000)</del>
\$8,788,000	
<b>TOTAL APPROPRIATION</b>	<del><b>(\$17,601,000)</b></del>
\$17,533,000	

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average

staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 564, Laws of 2009, as amended through section 1409 of this act.

(3) \$85,000 of the general fund--state appropriation for fiscal year 2012 and \$85,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the centrum program at Fort Worden state park.

**Sec. 512.** 2011 2nd sp.s. c 9 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
EDUCATION REFORM PROGRAMS

General Fund--State Appropriation (FY 2012)	\$58,078,000
General Fund--State Appropriation (FY 2013)	<del>(\$98,309,000)</del>
\$102,955,000	
General Fund--Federal Appropriation	<del>(\$219,161,000)</del>
\$219,147,000	
General Fund--Private/Local Appropriation	\$4,000,000
Education Legacy Trust Account--State Appropriation	<del>(\$1,598,000)</del>
\$1,596,000	
TOTAL APPROPRIATION	<del>(\$381,146,000)</del>
\$385,776,000	

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

(1) \$40,822,000 of the general fund--state appropriation for fiscal year 2012, ~~(\$41,613,000)~~ \$41,614,000 of the general fund--state appropriation for fiscal year 2013, \$1,350,000 of the education legacy trust account--state appropriation, and \$15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including: (a) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and (b) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding shall be limited to one collection of evidence payment per student, per content-area assessment.

(2) \$356,000 of the general fund--state appropriation for fiscal year 2012 and \$356,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) \$980,000 of the general fund--state appropriation for fiscal year 2012 and \$980,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW.

(4) \$3,852,000 of the general fund--state appropriation for fiscal year 2012 and \$2,624,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for continued implementation of

chapter 235, Laws of 2010 (education reform) including development of new performance-based evaluation systems for certificated educators.

(5)(a) ~~(\$40,681,000)~~ \$39,926,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of \$5,090 per teacher in the 2011-12 and 2012-13 school years, adjusted for inflation in each school year in which Initiative 732 cost of living adjustments are provided;

(ii) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced price lunch;

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a pro-rated manner. Beginning in the 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection will be paid in July of each school year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(iv) During the 2011-12 and 2012-13 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary schedule and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(6) \$477,000 of the general fund--state appropriation for fiscal year 2012 and \$477,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(7) \$950,000 of the general fund--state appropriation for fiscal year 2012 and \$950,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(8) \$810,000 of the general fund--state appropriation for fiscal year 2012 and \$810,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an

independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(9) \$3,234,000 of the general fund--state appropriation for fiscal year 2012 and \$3,234,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible.

(10) \$1,500,000 of the general fund--state appropriation for fiscal year 2012 and \$1,500,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the implementation of chapter 288, Laws of 2011 (actual student success program), including allocations to the opportunity internship program, the jobs for America's graduates program, the building bridges program, services provided by a college scholarship organization. Funding shall not be used in the 2011-2013 fiscal biennium to provide awards for schools and school districts.

(11) \$859,000 of the general fund--state appropriation for fiscal year 2012, ~~(\$846,000)~~ \$808,000 of the general fund--state appropriation for fiscal year 2013, and \$248,000 of the education legacy trust account--state appropriation are for administrative support of education reform programs.

(12) \$2,000,000 of the general fund--state appropriation for fiscal year 2012 and \$2,000,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a statewide information technology (IT) academy program. This public-private partnership will provide educational software, as well as IT certification and software training opportunities for students and staff in public schools.

(13) \$977,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$977,000)~~ \$1,077,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. If equally matched by private donations, \$300,000 of the 2012 appropriation and \$300,000 of the 2013 appropriation shall be used to support FIRST robotics programs. Of the amounts in this subsection, \$100,000 of the fiscal year 2013 appropriation is provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(14) \$125,000 of the general fund--state appropriation for fiscal year 2012 and \$125,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of \$2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(15) \$135,000 of the general fund--state appropriation for fiscal year 2012 and \$135,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(16) \$1,000,000 of the general fund--state appropriation for fiscal year 2012 and \$1,000,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a beginning educator support program. School districts and/or regional consortia may apply for grant funding. The superintendent shall implement this program in 5 to 15 school districts and/or regional consortia. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together; and teacher observation time with accomplished peers. \$250,000 may be used to provide statewide professional development opportunities for mentors and beginning educators.

(17) \$5,767,000 of the general fund--state appropriation for fiscal year 2013 is provided solely pursuant to Engrossed Substitute Senate Bill No. 5895 (certificated employee evaluations). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(18) \$200,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the American Academy to provide social support and academic intervention to students who have been suspended or expelled, are pregnant or parenting teens, have dropped out of school, or are significantly at risk of dropping out of school. Students are eligible to participate with the recommendation and approval of their resident school district.

**Sec. 513.** 2011 2nd sp.s. c 9 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund--State Appropriation (FY 2012)	<del>(\$79,496,000)</del>
\$79,575,000	
General Fund--State Appropriation (FY 2013)	<del>(\$82,856,000)</del>
\$80,666,000	
General Fund--Federal Appropriation	\$71,001,000
TOTAL APPROPRIATION	<del>(\$233,353,000)</del>
\$231,242,000	

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs as provided in RCW 28A.150.260(10)(b). In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student; (ii) fifteen transitional bilingual program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 564, Laws of 2009, as amended through section 1411 of this act.

(c) The allocations in this section reflect the implementation of a new funding formula for the transitional bilingual instructional program, effective September 1, 2011, as specified in RCW 28A.150.260(10)(b).

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: 2.79 percent for school year 2011-12 and ~~(2.09)~~ 2.11 percent for school year 2012-13.

(4) The general fund--federal appropriation in this section is for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(5)((a) The office of the superintendent of public instruction shall implement a funding model for the transitional bilingual program, beginning in school year 2012-13, that is scaled to provide more support to students requiring most intensive intervention, (students with beginning levels of English language proficiency) and less support to students requiring less intervention. The funding model shall also provide up to two years of bonus funding upon successful exit from the bilingual program to facilitate successful transition to a standard program of education.

(b) It is expected that per-pupil funding for level 2 proficiency will be set at the same level as would have been provided statewide prior to establishing differential per-pupil amounts; level 1 will be 125 percent of level 2; level 3 through the level prior to exit will be 75 percent of level 2; and two bonus years upon successful demonstration of proficiency will be 100 percent of level 2. Prior to implementing in school year 2012-13, the office of the superintendent of public instruction shall provide to the senate and house of representatives ways and means committees recommended rates based on the results of proficiency test procurement, expressed as both per-pupil rates and hours of instruction as provided in RCW 28A.150.260(10)(b).

(c) Each bilingual student shall be tested for proficiency level and, therefore, eligibility for the transitional bilingual program each year. The bonus payments for up to two school years following successful exit from the transitional bilingual program shall be allocated to the exiting school district. If the student graduates or transfers to another district prior to the district receiving both years' bonuses, the district shall receive the bonus for only the length of time the student remains enrolled in the exiting district.

(d) The quality education council shall examine the revised funding model developed under this subsection and provide a report to the education and fiscal committees of the legislature by December 1, 2011, that includes recommendations for:

(i) Changing the prototypical school funding formula for the transitional bilingual program to align with the revised model in an accurate and transparent manner;

(ii) Reconciling the revised model with statutory requirements for categorical funding of the transitional bilingual instructional program that is restricted to students eligible for and enrolled in that program;

(iii) Clarifying the elements of the transitional bilingual instructional program that fall under the definition of basic education and the impact of the revised model on them; and

(iv) The extent that the disparate financial impact of the revised model on different school districts should be addressed and options for addressing it.

(e) The office of the superintendent of public instruction shall report to the senate and house of representatives ways and means committees and education committees annually by December 31st of each year, through 2018, regarding any measurable changes in proficiency, time-in-program, and transition experience.

(6)) \$35,000 of the general fund--state appropriation for fiscal year 2012 and \$35,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to track current and former transitional bilingual program students.

**Sec. 514.** 2011 2nd sp.s. c 9 s 515 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--  
FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund--State	Appropriation	(FY	2012)
<del>(\$102,470,000)</del>			
\$102,619,000			

General Fund--State	Appropriation	(FY	2013)
<del>(\$103,666,000)</del>			
\$128,779,000			
General Fund--Federal	Appropriation	\$492,207,000	
Education Legacy Trust Account--State	Appropriation	<del>(\$47,980,000)</del>	
\$23,990,000			
<b>TOTAL APPROPRIATION</b>		<del>(\$746,323,000)</del>	
\$747,595,000			

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2011-12 and 2012-13 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a). In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 1.51560 hours per week per funded learning assistance program student; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2011, to August 31, 2011, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 564, Laws of 2009, as amended through section 1412 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund-state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) The office of the superintendent of public instruction shall research and recommend options for an adjustment factor for middle school and high school free and reduced price lunch eligibility reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report to the fiscal committees of the legislature by June 1, 2012. For the 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

**Sec. 515.** 2011 1st sp.s. c 50 s 516 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts

required by Title 28A RCW provided in statute, are not within the program of basic education.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in subsection (4) of this section.

(4) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2012, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2012 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; and learning assistance programs.

(5) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

(End of part)

## PART VI HIGHER EDUCATION

**Sec. 601.** 2011 2nd sp.s. c 9 s 601 (uncodified) is amended to read as follows:

### FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State	Appropriation	(FY	2012)
			<del>(\$533,009,000)</del>
			\$532,843,000

General Fund--State	Appropriation	(FY	2013)
			<del>(\$525,644,000)</del>
			\$517,438,000

Community/Technical College Capital Projects			
Account--State	Appropriation		<del>(\$8,037,000)</del>
			\$12,793,000

Education Legacy Trust Account--State			
Appropriation			<del>(\$95,370,000)</del>
			\$95,256,000

TOTAL APPROPRIATION			<del>(\$1,162,060,000)</del>
			\$1,158,330,000

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

(1) \$28,761,000 of the general fund--state appropriation for fiscal year 2012 and \$28,761,000 of the general fund--state appropriation for fiscal year 2013 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 6,200 full-time equivalent students in fiscal year 2012 and at least 6,200 full-time equivalent students in fiscal year 2013.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2012 and \$2,725,000 of the general fund--state appropriation for

fiscal year 2013 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$4,500,000 of the general fund--state appropriation for fiscal year 2012 and \$4,500,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for worker retraining.

(4) Of the amounts appropriated in this section, \$5,000,000 is provided solely for the student achievement initiative.

(5) When implementing the appropriations in this section, the state board and the trustees of the individual community and technical colleges shall minimize impact on academic programs, maximize reductions in administration, and shall at least maintain, and endeavor to increase, enrollment opportunities and degree and certificate production in high employer-demand fields of study at their academic year 2008-09 levels.

(6) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(7) Bellevue college is authorized to offer (~~applied~~) baccalaureate degrees in information technology, health care services and management, biotechnology, and preprofessional preparation for medical fields. These degrees shall be directed at high school graduates and transfer-oriented degree and professional and technical degree holders. In fiscal year 2012, Bellevue college will develop a two-year plan for offering these new degrees. The plan will assume funding for these new degrees shall come through redistribution of its current per full-time enrollment funding. The plan shall be delivered to the legislature by June 30, 2012.

(8) The Seattle community college district is authorized to offer (~~applied~~) baccalaureate degree programs in business/international business and technology management, interactive and artistic digital media, sustainability, building science technology, and allied and global health. These degrees shall be directed at high school graduates and professional and technical degree holders. In fiscal year 2012, Seattle community colleges shall develop a two-year plan for offering these new degrees. The plan will assume that funding for these new degrees comes through redistribution of its current per full-time enrollment funding. The plan shall be delivered to the legislature by June 30, 2012.

(9) \$100,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the Jefferson education center.

(10) \$2,000,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in enrollments in science, technology, engineering, and math. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the state board for community and technical colleges shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each June 30th thereafter, the state board for community and technical colleges shall provide an updated report that provides specific detail on how these amounts were spent in the preceding twelve months.

(11) Amounts appropriated in this section are sufficient for the state board for community and technical colleges to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the

legislature no later than December 1, 2012.

(12) \$131,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the implementation of Second Substitute House Bill No. 2156 (workforce training/aerospace). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(13) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 602.** 2011 2nd sp.s. c 9 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State	Appropriation	(FY	2012)
			<del>(\$201,388,000)</del>
			\$201,249,000

General Fund--State	Appropriation	(FY	2013)
			<del>(\$206,358,000)</del>
			\$201,659,000

Education Legacy Trust Account--State	Appropriation	
		\$18,579,000

Economic Development Strategic Reserve Account--	State Appropriation	\$1,500,000
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Biotoxin Account--State	Appropriation	\$450,000
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Accident Account--State	Appropriation	<del>(\$6,699,000)</del>
		\$6,681,000

Medical Aid Account--State	Appropriation	<del>(\$6,502,000)</del>
		\$6,488,000

TOTAL APPROPRIATION	<del>(\$439,976,000)</del>
	\$436,606,000

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund--state appropriation for fiscal year 2012 and \$52,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

(4) \$88,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5485 (state's natural resources). If the bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

(5) \$143,000 of the general fund--state appropriation for fiscal year 2012 and \$144,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the ongoing management of the Washington park arboretum.

(6) \$3,800,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in engineering enrollments, including enrollments in the field of computer science. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the university shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each September 1st thereafter, the university shall provide an updated

report that provides specific detail on how these amounts were spent in the preceding twelve months.

(7) Amounts appropriated in this section are sufficient for the university to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the legislature no later than December 1, 2012.

(8) \$610,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to expand health sciences capacity at the University of Washington for Washington, Wyoming, Alaska, Montana, Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for fiscal year 2012 is provided solely to expand health sciences capacity at the University of Washington for Regional Initiatives in Dental Education (RIDE) for the WWAMI-RIDE program expansion to achieve full ramp-up of first-year medical students and dental students each year of the four-year programs.

(9) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(10) Amounts appropriated in this section are sufficient to cover the costs associated with the implementation of Engrossed Substitute Senate Bill No. 6486 (collective bargaining for post-doctoral researchers).

**Sec. 603.** 2011 2nd sp.s. c 9 s 603 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund--State	Appropriation	(FY	2012)
			<del>(\$134,512,000)</del>
			\$134,467,000

General Fund--State	Appropriation	(FY	2013)
			<del>(\$136,087,000)</del>
			\$133,864,000

Education Legacy Trust Account--State	Appropriation	\$33,065,000
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TOTAL APPROPRIATION	<del>(\$303,664,000)</del>
	\$301,396,000

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) Within available funds, Washington State University shall serve an additional cohort of fifteen full-time equivalent students in the mechanical engineering program located at Olympic College.

(3) \$300,000 of the general fund--state appropriation for fiscal year 2012 and \$300,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the expansion of health sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to the University of Washington for integrated medical curriculum development for WWAMI.

(4) \$3,800,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in engineering enrollments, including enrollments in the field of computer science, including thirty additional full-time equivalent students in the mechanical engineering program located at Olympic College. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the university shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each June 30th thereafter, the university shall provide an updated report that provides

specific detail on how these amounts were spent in the preceding twelve months.

(5) Amounts appropriated in this section are sufficient for the university to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the legislature no later than December 1, 2012.

(6) Washington State University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(7) Amounts appropriated in this section are sufficient to cover the costs associated with the implementation of Engrossed Substitute Senate Bill No. 6486 (collective bargaining for post-doctoral researchers).

**Sec. 604.** 2011 2nd sp.s. c 9 s 604 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2012)	<del>(\$26,257,000)</del>
\$26,241,000	
General Fund--State Appropriation (FY 2013)	<del>(\$26,541,000)</del>
\$25,904,000	
Education Legacy Trust Account--State Appropriation	
\$16,087,000	
TOTAL APPROPRIATION	<del>(\$68,885,000)</del>
\$68,232,000	

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

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) At least \$200,000 of the general fund--state appropriation for fiscal year 2012 and at least \$200,000 of the general fund--state appropriation for fiscal year 2013 shall be expended on the Northwest autism center.

(3) Amounts appropriated in this section are sufficient for the university to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the legislature no later than December 1, 2012.

(4) \$1,209,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in enrollments in science, technology, engineering and math. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the university shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each September 1st thereafter, the university shall provide an updated report that provides specific detail on how these amounts were spent in the preceding twelve months.

(5) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 605.** 2011 2nd sp.s. c 9 s 605 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2012)	<del>(\$22,468,000)</del>
\$22,455,000	
General Fund--State Appropriation (FY 2013)	<del>(\$22,525,000)</del>
\$21,947,000	
Education Legacy Trust Account--State Appropriation	
\$19,076,000	
TOTAL APPROPRIATION	<del>(\$64,069,000)</del>
\$63,478,000	

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

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) Amounts appropriated in this section are sufficient for the university to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the legislature no later than December 1, 2012.

(3) \$1,125,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in enrollments in science, technology, engineering and math. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the university shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each September 1st thereafter, the university shall provide an updated report that provides specific detail on how these amounts were spent in the preceding twelve months.

(4) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 606.** 2011 2nd sp.s. c 9 s 606 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

General Fund--State Appropriation (FY 2012)	<del>(\$15,595,000)</del>
\$15,636,000	
General Fund--State Appropriation (FY 2013)	<del>(\$15,339,000)</del>
\$15,183,000	
Education Legacy Trust Account--State Appropriation	
\$5,450,000	
TOTAL APPROPRIATION	<del>(\$36,384,000)</del>
\$36,269,000	

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

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$50,000 of the general fund--state appropriation for fiscal year 2012 and \$25,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state institute for public policy to conduct a detailed study of the commitment of sexually violent predators to the special commitment center pursuant to chapter 71.09 RCW and the subsequent release of those persons to less-restrictive alternatives.

(a) Specifically, the institute's study shall examine:

(i) The projected future demand for the special commitment center, including profiles and characteristics of persons referred and committed to the special commitment center since its inception, whether the profiles of those persons have changed over time, and, given current trends, the likelihood of the continuing rate of referral;

(ii) Residents' participation in treatment over time and the impact of treatment on eventual release to a less-restrictive alternative;

(iii) The annual review process and the process for a committed person to petition for conditional or unconditional release, specifically:

(A) The time frames for conducting mandatory reviews;

(B) The role of the special commitment center clinical team;

(C) Options and standards utilized by other jurisdictions or similar processes to conduct periodic reviews, including specialized

courts, parole boards, independent review boards, and other commitment proceedings;

(iv) The capacity and future demand for appropriate less restrictive alternatives for moving residents out of the special commitment center, including:

(A) The capacity and demand for secure community transition facilities;

(B) Options for specialized populations such as the elderly or those with developmental disabilities and whether more cost-efficient options might be used to house those populations while keeping the public safe;

(C) Prospects for moving residents to noninstitutionalized settings beyond a secure community transition facility.

(b) The department of social and health services shall cooperate with the institute in conducting its examination and must provide the institute with requested data and records in a timely manner.

(c) The institute shall provide a status report to the governor and the legislature no later than November 1, 2011, with a final report due no later than November 1, 2012.

(3) \$50,000 of the general fund--state appropriation for fiscal year 2012 and \$50,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the institute for public policy to provide research support to the council on quality education.

(4) To the extent federal or private funding is available for this purpose, the Washington state institute for public policy and the center for reinventing public education at the University of Washington shall examine the relationship between participation in pension systems and teacher quality and mobility patterns in the state. The department of retirement systems shall facilitate researchers' access to necessary individual-level data necessary to effectively conduct the study. The researchers shall ensure that no individually identifiable information will be disclosed at any time. An interim report on project findings shall be completed by November 15, 2010, and a final report shall be submitted to the governor and to the relevant committees of the legislature by October 15, 2011.

(5) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

(6) If, and to the extent that private funding is available for this purpose, the Washington state institute for public policy shall study and report on the child welfare and educational characteristics and outcomes for foster youth who are served by educational advocates. The department of social and health services and the office of the superintendent of public instruction shall facilitate researchers' access to data necessary to effectively complete the study. The institute shall submit an interim report with baseline characteristics of youth served by educational advocates by December 2011 and a final report by October 31, 2012, to the governor and to the appropriate committees of the legislature.

(7) \$75,000 of the general fund--state appropriation for fiscal year 2012 is provided to the Washington state institute for public policy (WSIPP) to conduct a review of state investments in the family caregiver and support program. Funding for this program is provided by assumed savings from diverting seniors from entering into long-term care medicaid placements by supporting informal caregivers. WSIPP shall work with the department of social and health services to establish and review outcome data for this investment. A preliminary report on the outcomes of the investment into this program is due to the appropriate legislative committees by December 15, 2011, and a final report is due to the appropriate legislative committees by August 30, 2012.

(8) \$50,000 of the general fund--state appropriation for fiscal year 2013 is provided solely to implement Second Substitute House Bill No. 2264 (child welfare/contracting). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(9) Amounts appropriated in this section are sufficient for the

college to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be provided to the legislature no later than December 1, 2012.

(10) \$639,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in enrollments in science, technology, engineering and math. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the college shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each September 1st thereafter, the college shall provide an updated report that provides specific detail on how these amounts were spent in the preceding twelve months.

(11) \$17,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to implement Substitute Senate Bill No. 6492 (competency to stand trial). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(12) \$40,000 of the general fund--state appropriation for fiscal year 2012 and \$60,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state institute for public policy to conduct a longitudinal study of the state need grant program. The purpose of this study is to determine to what extent this program has increased access and degree attainment for low-income students and to determine whether the funding for the state need grant has been utilized in the most efficient way possible to maximize the enrollment and degree attainment of low-income students. This study shall include, but not be limited to, a review of the following:

(a) The demographics of recipients of the state need grant program, including, but not limited to, gender, race, and income;

(b) The effect of the state need grant on enrollment rates of low-income students at the different institutions of higher education and whether these students attend full-time or part-time;

(c) The effect of the state need grant on recipients' persistence, performance, degree or certificate completion, and time to degree or certificate completion at the different institutions of higher education;

(d) An inventory of the types of degrees and certifications at the different institutions of higher education, by field of study, obtained by recipients; and

(e) The interplay of the state need grant program with other forms of federal financial aid and the effect of this interplay on access and degree attainment of low-income students.

A final report of the findings shall be submitted to the governor and the appropriate committees of the legislature by December 1, 2012, and, based on the findings, shall include recommendations for using more efficiently the funds provided to the state need grant program to increase access and degree attainment of low-income students. To the maximum extent possible, this report shall disaggregate the demographic and institution specific data in a manner that will inform policymakers of the enrollment patterns and success of specific subsets of recipients within the different institutions of higher education. The higher education coordinating board, or its successor agency, the education data center, and the institutions of higher education shall cooperate with the Washington state institute for public policy in the conduct of this study and shall provide to the institute the necessary data and information to complete this study.

(13) \$15,000 of the general fund--state appropriation for fiscal year 2012 and \$50,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state institute for public policy to conduct an evaluation of the benefits provided in the pension plans offered by public employers in the state.

(a) Specifically, the study shall examine:

(i) The level of benefits offered by the state retirement plans and

retirement plans sponsored by local government employers relative to the benefits provided in other states;

(ii) The adequacy of pension benefits provided to public employees, including barriers to retirement;

(iii) Barriers to the portability of retirement benefits between public employers in the state, including opportunities to improve benefit portability and compatibility; and

(iv) The treatment of overtime earnings in public employee retirement plans relative to the treatment of earnings in other states, including the impact of excess compensation on state retirement system contribution rates with a particular emphasis on agencies that operate on a 24-hour basis, such as the state patrol, ferry system, and state prisons.

(b) In conducting the study, the institute shall collaborate with the office of the state actuary and shall solicit input from local government plan sponsors.

(c) The institute shall report its findings to the select committee on pension policy and the committees on ways and means of the house of representatives and the senate by December 1, 2012.

(14) \$5,000 of the general fund--state appropriation for fiscal year 2012 and \$10,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the Washington state institute for public policy to assess the potential costs and benefits of implementing the national academy of pediatricians' "bright futures" recommended schedule of well-child visits, developmental, and autism screenings in state medical assistance programs. The assessment shall be conducted in consultation with subject area experts, and shall include an estimate of the full cost of implementing the revised standards; identification and estimation of the fiscal and nonfiscal benefits; and computation of an estimated return on investment. The health care authority shall provide the institute with confidential access to claims and encounter data as necessary to complete this project. The institute shall report its finding to the relevant policy and fiscal committees of the legislature by December 31, 2012.

(15) The Evergreen State College shall not use funds appropriated in this section to support intercollegiate athletics programs.

(16) \$46,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the implementation of section 10 of Engrossed Substitute House Bill No. 2363 (domestic violence). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 607.** 2011 2nd sp.s. c 9 s 607 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY  
 General Fund--State Appropriation (FY 2012) ~~((33,754,000))~~  
 \$33,732,000  
 General Fund--State Appropriation (FY 2013) ~~((33,743,000))~~  
 \$32,844,000  
 Education Legacy Trust Account--State  
 Appropriation ~~((13,266,000))~~  
 \$13,204,000  
 TOTAL APPROPRIATION ~~((80,763,000))~~  
 \$79,780,000

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

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) Amounts appropriated in this section are sufficient for the university to conduct a comprehensive review of its tuition waiver policies. The resulting report shall include an overview of tuition waiver uses and costs (forgone revenue) and outcomes and any recommendations for changes to tuition waiver policy and shall be

provided to the legislature no later than December 1, 2012.

(3) \$1,427,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for an expansion in enrollments in science, technology, engineering and math. Amounts provided in this subsection may be used only to cover direct costs of instruction associated with this enrollment expansion. By June 30, 2012, the university shall provide a report to the legislature that provides specific detail on how these amounts will be spent. Each September 1st thereafter, the university shall provide an updated report that provides specific detail on how these amounts were spent in the preceding twelve months.

(4) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

**NEW SECTION. Sec. 608.** 2011 2nd sp.s. c 9 s 610 (uncodified) and 2011 1st sp.s. c 50 s 614 (uncodified) are repealed.

**NEW SECTION. Sec. 609.** 2011 2nd sp.s. c 9 s 611 (uncodified) and 2011 1st sp.s. c 50 s 615 (uncodified) are repealed.

**Sec. 610.** 2011 2nd sp.s. c 9 s 608 (uncodified) is amended to read as follows:

FOR THE HIGHER EDUCATION COORDINATING BOARD--  
 POLICY COORDINATION AND ADMINISTRATION  
 General Fund--State Appropriation (FY 2012) ~~((1,036,000))~~  
 \$1,041,000  
 General Fund--Federal Appropriation \$1,976,000  
 TOTAL APPROPRIATION ~~((3,012,000))~~  
 \$3,017,000

The appropriations in this section are subject to the following conditions and limitations: The higher education coordinating board is authorized to increase or establish fees for initial degree authorization, degree authorization renewal, degree authorization reapplication, new program applications, and new site applications pursuant to RCW 28B.85.060.

**Sec. 611.** 2011 2nd sp.s. c 9 s 609 (uncodified) is amended to read as follows:

FOR THE HIGHER EDUCATION COORDINATING BOARD--  
 FINANCIAL AID AND GRANT PROGRAMS  
 General Fund--State Appropriation (FY 2012) \$217,939,000  
 General Fund--Federal Appropriation \$5,829,000  
 Opportunity Pathways Account--State Appropriation \$73,500,000  
 TOTAL APPROPRIATION \$297,268,000

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

(1) \$200,413,000 of the general fund--state appropriation for fiscal year 2012 and \$73,500,000 of the opportunity pathways account--state appropriation are provided solely for student financial aid payments under the state need grant and the state work study program including up to a four percent administrative allowance for the state work study program.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall include students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. The higher education coordinating board shall report to the legislature by December 1, 2013, regarding the number of students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits, and their academic progress including degree completion. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for

students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(3) For fiscal year 2012, the board shall defer loan or conditional scholarship repayments to the future teachers conditional scholarship and loan repayment program for up to one year for each participant if the participant has shown evidence of efforts to find a teaching job but has been unable to secure a teaching job per the requirements of the program.

(4) \$500,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for the leadership 1000 program.

(5) \$2,436,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for the passport to college program. The maximum scholarship award shall be \$5,000. The board shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract provide a minimum of \$500,000 in fiscal year 2012. Any amounts provided in this subsection that remain unobligated at the close of fiscal year 2012 must be transferred to the state education trust account in RCW 28B.92.140 for purposes of the passport to college program.

(6) \$250,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for implementation of the aerospace training scholarship and student loan program as specified in Engrossed Substitute House Bill No. 1846 (aerospace student loans). If this bill is not enacted by June 30, 2011, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 612. A new section is added to 2011 1st sp.s. c 50 (unmodified) to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND ADMINISTRATION	
General Fund--State Appropriation (FY 2013)	\$4,937,000
General Fund--Federal Appropriation	\$2,376,000
<b>TOTAL APPROPRIATION</b>	<b>\$7,313,000</b>

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

(1) The student achievement council is authorized to increase or establish fees for initial degree authorization, degree authorization renewal, degree authorization reapplication, new program applications, and new site applications pursuant to RCW 28B.85.060.

(2) \$1,043,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2483 (higher education coordination). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 613. A new section is added to 2011 1st sp.s. c 50 (unmodified) to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL ASSISTANCE	
General Fund--State Appropriation (FY 2013)	\$247,039,000
General Fund--Federal Appropriation	\$5,812,000
Washington Opportunity Pathways Account--State Appropriation	\$73,500,000
<b>TOTAL APPROPRIATION</b>	<b>\$326,351,000</b>

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

(1) \$237,018,000 of the general fund--state appropriation for fiscal year 2013, and \$73,500,000 of the opportunity pathways account-- state appropriation are provided solely for student financial aid payments under the state need grant and the state work study programs including up to a four percent administrative allowance for the state work study program.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall include students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. The higher education coordinating board shall report to the legislature by December 1, 2013, regarding the number of students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits, and their academic progress including degree completion. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(3) \$1,250,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of the aerospace training scholarship and student loan program as specified in Engrossed Substitute House Bill No. 1846 (aerospace student loans). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

(4) For fiscal year 2013, the board shall defer loan or conditional scholarship repayments to the future teachers conditional scholarship and loan repayment program for up to one year for each participant if the participant has shown evidence of efforts to find a teaching job but has been unable to secure a teaching job per the requirements of the program.

(5) \$1,000,000 of the education legacy trust account--state appropriation is provided solely for the gaining early awareness and readiness for undergraduate programs project.

(6) \$1,500,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the leadership 1000 program.

(7) \$2,436,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the passport to college program. The maximum scholarship award shall be \$5,000. The board shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal year 2013 for this purpose.

(8) In addition to the entities listed in RCW 28B.122.010, the aerospace student loan program may provide loans to students attending an aerospace training program at Renton technical college.

(9) The office of student financial assistance and the department of health shall prioritize a portion of any nonfederal balances in the health professional loan repayment and scholarship fund for conditional loan repayment contracts with psychiatrists and with advanced registered nurse practitioners for work at one of the state-operated psychiatric hospitals. The office and department shall designate the state hospitals as health professional shortage areas if necessary for this purpose. The office of student financial assistance shall coordinate with the department of social and health services to effectively incorporate these conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies.

(10) \$50,000 of the amount provided in this section shall be used to convene the higher education loan program work group. The work group shall develop methods for funding the loan program in the future, as well as recommendations regarding the best loan program structure for providing financial aid to underserved populations. The work group shall seek out technical advice from the housing finance commission. At a minimum, the recommendations regarding the

proposed loan program must take into account the following: Whether students could benefit from the creation of a new student loan program; the relationship between the student loan program and the state need grant program and the state need grant qualified student population; mechanisms to achieve interest rates that are below those offered in federally guaranteed and private bank student loans; sources of initial and on-going funding for loans and program operation; and default risks, reserve requirements, and other conditions required for the student loan program. The work group shall provide a report to the legislature no later than December 1, 2012.

**Sec. 614.** 2011 1st sp.s. c 50 s 616 (uncodified) is amended to read as follows:

**FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund--State Appropriation (FY 2012)	<del>((1,382,000))</del>
\$1,310,000	
General Fund--State Appropriation (FY 2013)	<del>((1,388,000))</del>
\$1,345,000	
General Fund--Federal Appropriation	<del>((62,758,000))</del>
\$62,733,000	
<b>TOTAL APPROPRIATION</b>	<del><b>((65,528,000))</b></del>
\$65,388,000	

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

(1) For the 2011-2013 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

(2) \$36,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for the implementation of Second Substitute House Bill No. 2156 (workforce training/aerospace). If this bill is not enacted by June 30, 2012, the amount provided in the subsection shall lapse.

**Sec. 615.** 2011 2nd sp.s. c 9 s 612 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2012)	<del>((27,571,000))</del>
\$25,497,000	
General Fund--State Appropriation (FY 2013)	<del>((27,558,000))</del>
\$29,519,000	
General Fund--Federal Appropriation	<del>((261,753,000))</del>
\$280,320,000	
Opportunity Pathways Account--State Appropriation	<del>((80,000,000))</del>
\$78,000,000	
Home Visiting Services Account--Federal Appropriation	
\$300,000	
<b>TOTAL APPROPRIATION</b>	<del><b>((396,882,000))</b></del>
\$413,636,000	

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

(1) \$16,028,000 of the general fund--state appropriation for fiscal year 2012, ~~((16,028,000))~~ \$18,028,000 of the general fund--state appropriation of fiscal year 2013, ~~((80,000,000))~~ \$78,000,000 of the opportunity pathways account appropriation, and \$2,256,000 of the general fund--federal appropriation are provided solely for the early childhood education assistance program services. Of these amounts, \$10,284,000 is a portion of the biennial amount of state maintenance of effort dollars required to receive federal child care and development fund grant dollars.

(2) In accordance to RCW 43.215.255(2) and 43.135.055, the department is authorized to increase child care center and child care family home licensure fees in fiscal years 2012 and 2013 for costs to the department for the licensure activity, including costs of necessary

inspection. These increases are necessary to support expenditures authorized in this section.

(3) ~~((638,000))~~ \$64,000 of the general fund--state appropriation for fiscal year 2012 ~~(and)~~, \$638,000 of the general fund--state appropriation for fiscal year 2013, and \$574,000 of the general fund--federal appropriation are provided solely for child care resource and referral network services.

(4) \$200,000 of the general fund--state appropriation for fiscal year 2012 and \$200,000 of the general fund--state appropriation for fiscal year 2013 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(5) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(6) The appropriations in this section reflect reductions in the appropriations for the department's administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or program.

(7) \$934,000 of the general fund--state appropriation for fiscal year 2012, \$934,000 of the general fund--state appropriation for fiscal year 2013, and \$2,400,000 of the general fund--federal appropriation are provided solely for expenditure into the home visiting services account. This funding is intended to meet federal maintenance of effort requirements and to secure private matching funds.

(a) All federal funds received by the department for home visiting activities must be deposited into the home visiting services account.

(b) The department must consult with stakeholders during the development of the Washington home visiting plan and any future proposals for federal funding.

(c) \$300,000 of the home visiting services account--federal appropriation is provided solely for program administration pursuant to RCW 43.215.130. No other funds may be expended for that purpose.

(8)(a) \$153,558,000 of the general fund--federal appropriation is provided solely for the working connections child care program under RCW 43.215.135.

(b) In addition to groups that were given prioritized access to the working connections child care program effective March 1, 2011, the department shall also give prioritized access into the program to families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center.

(9)(a) \$50,000 of the general fund--state appropriation for fiscal year 2012 and \$1,050,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for implementation and administration of an electronic benefit transfer system. The system shall include electronic time keeping, integrated with an eligibility information technology system, and an electronic payment system. The department shall coordinate implementation of this system with the department of social and health services.

(b) \$100,000 of the general fund--state appropriation in this subsection is provided solely for the department to contract for an independent consultant to evaluate and recommend the optimum system for the eligibility determination process. The evaluation must include an analysis of lean management processes that, if adopted, could improve the cost effectiveness and delivery of eligibility determination. The department shall coordinate with the department of social and health services for this evaluation. The department must report to the office of financial management and the appropriate fiscal and policy committees of the legislature by December 1, 2012.

(10) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report quarterly enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care.

~~((40))~~ (11) \$1,025,000 of the general fund--state appropriation for fiscal year 2013 and \$6,712,000 of the general fund--federal appropriation are provided solely for the seasonal child care program in fiscal year 2013.

(12) \$2,522,000 of the general fund--state appropriation for fiscal year 2012, \$2,522,000 of the general fund--state appropriation for fiscal year 2013, and \$4,304,000 of the general fund--federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department of social and health services children's administration. In addition to referrals made by children's administration, the department shall authorize services for children referred to the MTCC program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program. Of the amounts appropriated in this subsection, \$60,000 per fiscal year may be used by the department for administering the MTCC program, if needed.

(13) \$10,000 of the general fund--state appropriation is provided solely for:

(a) The department shall convene a subcommittee to the early learning advisory council to make recommendations development and implementation of a Washington preschool program. The subcommittee's recommendations should include, but are not limited to:

- (i) Criteria and processes for lead and assistant teachers to demonstrate the required competencies or equivalent competencies;
- (ii) Qualifications and continuing education requirements for other staff in addition to lead and assistant teachers; and
- (iii) A schedule to phase in degree and equivalent competency requirements provided for lead and assistant teachers.

The subcommittee shall report its initial recommendations to the early learning advisory council and the appropriate committees of legislature by December 31, 2012.

(b) The subcommittee must develop the schedule in (a)(iii) of this subsection in consultation with: The professional educator standards board, state board for community and technical colleges, higher education coordinating board, nongovernmental private-public partnership created in RCW 43.215.070, tribes, labor organizations representing child care workers, representatives from child care centers, early childhood education and assistance program and head start association, and the Puget Sound education service district to determine:

- (i) Capacity at higher education institutions to implement degree requirements;
- (ii) Availability of financial aid to ensure access to degree requirements;
- (iii) Availability of classes for nontraditional students including online, evening, and weekend offerings;
- (iv) Availability of additional resources to meet the unique needs of tribes, family child care providers, and other nontraditional caregivers including, but not limited to, mentoring, coaching, resource-sharing models or other resources to ensure child care providers have access to ongoing education opportunities;
- (v) Additional pathways to demonstrate competencies, including consideration of the quality rating and improvement system ratings as

a mechanism to demonstrate eligibility to apply for contracts for the early learning program outlined in RCW 43.215.142; and

(vi) Development of a teacher compensation model.

(14) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

**Sec. 616.** 2011 2nd sp.s. c 9 s 613 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund--State Appropriation (FY 2012)	<del>(\$5,782,000)</del>
	\$5,776,000
General Fund--State Appropriation (FY 2013)	<del>(\$5,749,000)</del>
	\$5,672,000
((General Fund--Private/Local Appropriation	\$1,961,000))
TOTAL APPROPRIATION	<del>(\$13,492,000)</del>
	\$11,448,000

((The appropriations in this section are subject to the following conditions and limitations: \$271,000 of the general fund--private/local appropriation is provided solely for the school for the blind to offer short course programs, allowing students the opportunity to leave their home schools for short periods and receive intensive training. The school for the blind shall provide this service to the extent that it is funded by contracts with school districts and educational services districts.))

**Sec. 617.** 2011 2nd sp.s. c 9 s 614 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

General Fund--State Appropriation (FY 2012)	<del>(\$8,449,000)</del>
	\$8,441,000
General Fund--State Appropriation (FY 2013)	<del>(\$8,446,000)</del>
	\$8,338,000
((General Fund--Private/Local Appropriation	\$526,000))
TOTAL APPROPRIATION	<del>(\$17,421,000)</del>
	\$16,779,000

**Sec. 618.** 2011 2nd sp.s. c 9 s 615 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund--Federal Appropriation	\$2,065,000
General Fund--Private/Local Appropriation	\$1,056,000
Washington State Heritage Center Account--State	
Appropriation	<del>(\$2,213,000)</del>
	\$2,186,000
TOTAL APPROPRIATION	<del>(\$5,334,000)</del>
	\$5,307,000

**Sec. 619.** 2011 2nd sp.s. c 9 s 616 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Washington State Heritage Center Account--State	
Appropriation	<del>(\$4,241,000)</del>
	\$4,207,000

**Sec. 620.** 2011 2nd sp.s. c 9 s 617 (uncodified) is amended to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Washington State Heritage Center Account--State	
Appropriation	<del>(\$2,962,000)</del>
	\$2,959,000

(End of part)

**PART VII**  
**SPECIAL APPROPRIATIONS**

**Sec. 701.** 2011 2nd sp.s. c 9 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2012)	
<del>(\$919,198,000)</del>	
\$911,643,000	
General Fund--State Appropriation (FY 2013)	
<del>(\$967,749,000)</del>	
\$949,269,000	
State Building Construction Account--State Appropriation	\$3,866,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$121,000
Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation	\$4,000
State Taxable Building Construction Account--State Appropriation	\$90,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$13,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,300,000
<b>TOTAL APPROPRIATION</b>	<del>(\$1,893,341,000)</del>
	\$1,867,306,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

**Sec. 702.** 2011 2nd sp.s. c 9 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund--State Appropriation (FY 2012)	<del>(\$27,516,000)</del>
\$27,400,000	
General Fund--State Appropriation (FY 2013)	<del>(\$30,758,000)</del>
\$30,572,000	
Nondebt-Limit Reimbursable Bond Retirement Account--State Appropriation	\$140,128,000
<b>TOTAL APPROPRIATION</b>	<del>(\$198,402,000)</del>
	\$198,100,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2012.

**NEW SECTION. Sec. 703.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR REVENUE BONDS  
Environmental Cleanup and Restoration Bond Retirement

Account--State Appropriation	\$12,770,000
Environmental Cleanup and Restoration Bond Proceeds	
Account--State Appropriation	\$1,500,000
<b>TOTAL APPROPRIATION</b>	\$14,270,000

**Sec. 704.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund--State Appropriation (FY 2012)	\$1,357,000
General Fund--State Appropriation (FY 2013)	\$1,357,000
State Building Construction Account--State Appropriation	\$356,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$21,000
Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation	\$1,000
State Taxable Building Construction Account--State Appropriation	\$25,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$2,000
Environmental Cleanup and Restoration Bond Proceeds	
Account--State Appropriation	\$500,000
<b>TOTAL APPROPRIATION</b>	<del>(\$3,149,000)</del>
	\$3,619,000

**Sec. 705.** 2011 1st sp.s. c 50 s 715 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE COSTS

General Fund--State Appropriation (FY 2012)	<del>(\$591,000)</del>
	\$1,102,000

The appropriation in this section is subject to the following conditions and limitations: The director of financial management shall distribute ~~(\$338,000)~~ \$501,000 to Franklin county, \$128,000 to Jefferson county, ~~(and)~~ \$125,000 to Okanogan county, \$161,000 to Yakima county, and \$187,000 to King county for extraordinary criminal justice costs.

**NEW SECTION. Sec. 706.** 2011 2nd sp.s. c 9 s 705 (uncodified) is repealed.

**NEW SECTION. Sec. 707.** 2011 2nd sp.s. c 9 s 707 (uncodified) is repealed.

**NEW SECTION. Sec. 708.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES--DISTRIBUTION OF EXCESS FUNDS FROM THE FOREST DEVELOPMENT ACCOUNT  
Forest Development Account--State Appropriation \$10,000,000

The appropriation in this section is provided solely for distribution of state forest land revenues to taxing authorities that received such revenue from fiscal year 2002 through fiscal year 2011 and is subject to the following conditions and limitations:

(1) Within fifteen days of the effective date of this section, the department shall transmit funds in the amounts specified in subsection (3) of this section to the county treasurers of the counties receiving the funds.

(2) The county treasurers of the counties listed in this section shall distribute funds received from this appropriation to taxing authorities in proportion to the state forest transfer land funds distributed to the taxing authorities based on information available for the fiscal years 2002 through 2011. Funds to be credited to the state of Washington and funds credited to school district general levies shall be remitted to the state of Washington within thirty days after the effective date of this section for deposit into the state general fund.

(3) Funds shall be distributed in the following amounts:

		General Fund--State Appropriation (FY 2012)	\$25,000
		General Fund--State Appropriation (FY 2013)	\$225,000
		<b>TOTAL APPROPRIATION</b>	<b>\$250,000</b>
Clallam	\$848,854		
Clark	\$630,368		
Cowlitz	\$418,159		
Grays Harbor	\$266,365		
Jefferson	\$239,722		
King	\$328,725		
Kitsap	\$73,839		
Klickitat	\$197,968		
Lewis	\$887,679		
Mason	\$425,935		
Okanogan	\$4		
Pacific	\$352,540		
Pierce	\$334,179		
Skagit	\$1,534,497		
Skamania	\$66,648		
Snohomish	\$1,565,549		
Stevens	\$6,709		
Thurston	\$783,735		
Wahkiakum	\$285,339		
Whatcom	\$753,186		
<b>Total</b>	<b>\$10,000,000</b>		

**NEW SECTION. Sec. 709.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR SUNDRY CLAIMS**

The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of financial management, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

- (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- (4) James Abbott, claim number 99970051 \$9,880.00
- (5) Richard Frisk, claim number 99970052 \$32,788.50
- (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79

**NEW SECTION. Sec. 710.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
EDUCATION FUNDING STUDY**

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

(1) The entire appropriation is provided solely for the task force and study established and directed under this section.

(2) The recent McCleary decision by the state Supreme Court found that the legislature is not meeting its paramount duty to adequately fund K-12 basic education. The court also found that recent legislative efforts to adjust the basic education definition and funding models using the prototypical school model will meet the paramount duty if implemented and fully funded in a timely manner. The joint task force established in this section is created to help the legislature meet the requirements of the McCleary decision by recommending options for a permanent funding source.

(3)(a) The joint task force on education funding is established. The task force shall review the McCleary decision and make recommendations on how the legislature can meet the requirements outlined in that decision. In particular, the task force shall develop a proposal for a reliable and dependable revenue source to support basic education programs, including at a minimum, implementation of the programmatic enhancements required in chapter 236, Laws of 2010, including full day kindergarten; reduced K-3 class size; increased allocations for maintenance, supplies, and operating costs; and a new pupil transportation formula. The task force shall also coordinate with the work of the quality education council in developing a timeline and financing plan for full implementation of the career and college ready graduation requirements and the increased instructional hours requirement contained in chapter 548, Laws of 2009. The task force shall submit a final report to the legislature by December 15, 2012.

(b) The joint task force on education funding shall consist of twenty-one members:

(i) Twelve legislators, with three members from each of the two largest caucuses of the senate appointed by the president of the senate and three members from each of the two largest caucuses of the house of representatives appointed by the speaker of the house of representatives;

(ii) A representative of the governor's office or the office of financial management, designated by the governor;

(iii) The superintendent of public instruction or the superintendent's designee;

(iv) The director of the department of early learning or the director's designee;

(v) The executive director of the higher education coordinating committee or its successor agency or the executive director's designee;

(vi) The executive director of the state board of education or the executive director's designee; and

(vii) Four individuals, to be appointed by the governor, two that have significant experience with Washington education finance issues, including the use and application of the current basic education formulas and early learning program funding and one each to represent the business and labor communities. Each of the two largest caucuses of the house of representatives and the senate may submit names to the governor for consideration.

(viii) The task force shall be cochaired by one member from the house of representatives and one member from the senate. If the house of representatives and senate members cannot agree on their respective cochair, the governor shall appoint the cochairs.

(d) The task force may recommend multiple options, but shall recommend one preferred alternative, including an outline of necessary implementing legislation. Should the task force recommend an option to implement the McCleary decision with no

new revenues, the task force must identify what areas already in the budget would be eliminated or reduced. The task force shall also consider how investments in basic education and quality early learning for at-risk students, if sustained, may lead to savings to the state in other areas of government service, and how such savings over time may be incorporated as one part of a long-term financing plan for basic education.

(e) The task force shall be staffed by the house of representatives office of program research and senate office of committee services, with assistance from the legislative evaluation and accountability program committee, the office of the superintendent of public instruction, the department of early learning, the office of financial management, and the Washington state institute for public policy.

(4)(a) The recommendations should provide maximum transparency of the state's educational funding system in order to better help parents, citizens, and educational personnel in Washington understand how the education system is funded.

(b) The funding structure options should be linked to accountability for student outcomes, performance, and preparedness for the subsequent educational level.

**NEW SECTION. Sec. 711.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--LIFE SCIENCES DISCOVERY FUND  
General Fund--State Appropriation (FY 2013) \$4,000,000

The appropriation in this section is subject to the following conditions and limitations: The general fund appropriation is for expenditure into the life sciences discovery fund.

**NEW SECTION. Sec. 712.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--INCOME AND TAX BURDEN STUDY  
General Fund--State Appropriation (FY 2013) \$50,000

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

(1) The entire appropriation is provided solely for conducting the study required in this section.

(2) (a) The citizens of Washington state deserve better information on the disparate impacts of the economic and taxing decisions of state and local governments.

(b) The office of financial management will report to the appropriate fiscal committees in both legislative chambers on the income and tax burden of Washingtonians.

(c) The report must be delivered by September 1, 2012, and must include:

(i) Estimates of the income and the wealth distribution of Washingtonians by income quintile, or, if possible, by decile;

(ii) The combined state/local tax burden of Washingtonians by income quintile, or, if possible, decile;

(iii) The tax burden of Washingtonians using longitudinal data:

(A) As a percentage of aggregate income;

(B) Using per capita data; and

(C) Using tax burden per \$1,000 of income;

(iv) The amount of state and local government revenue combined in Washington state as a share of the gross state product using longitudinal data; and

(v) Year-over-year estimates of real income gains (or losses) by income quintile, or, if possible, decile.

(d) Where feasible, the office of financial management must use established state and federal data sets to compile this report. The office of financial management must make estimates or projections based on historic data to fill in years if actual data is not yet available.

**NEW SECTION. Sec. 713.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--  
DISASTER RESPONSE ACCOUNT

General Fund--State Appropriation (FY 2013) \$1,150,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the disaster response account.

**NEW SECTION. Sec. 714.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

FOR THE SAVINGS INCENTIVE ACCOUNT AND  
EDUCATION SAVINGS ACCOUNT

For fiscal years 2012 and 2013, no appropriations are made for deposit to the savings incentive account or the education savings account under RCW 43.79.460 and 43.79.465.

The following acts or parts of acts are hereby repealed:

(1) 2011 1st sp.s. c 50 s 709 (uncodified); and

(2) 2011 1st sp.s. c 50 s 710 (uncodified).

(End of part)

## PART VIII

### OTHER TRANSFERS AND APPROPRIATIONS

**Sec. 801.** 2011 1st sp.s. c 50 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR  
DISTRIBUTION

General Fund Appropriation for fire insurance  
premium distributions ~~(\$8,368,000)~~  
\$8,289,000

General Fund Appropriation for public utility  
district excise tax distributions ~~(\$49,418,000)~~  
\$44,078,000

General Fund Appropriation for prosecuting  
attorney distributions \$6,281,000

General Fund Appropriation for boating safety  
and education distributions \$4,000,000

General Fund Appropriation for other tax distributions  
\$58,000

General Fund Appropriation for habitat conservation  
program distributions \$3,000,000

Death Investigations Account Appropriation for  
distribution to counties for publicly funded  
autopsies \$2,960,000

Aquatic Lands Enhancement Account Appropriation for  
harbor improvement revenue distribution \$160,000

Timber Tax Distribution Account Appropriation for  
distribution to "timber" counties ~~(\$40,421,000)~~  
\$58,229,000

County Criminal Justice Assistance Appropriation ~~(\$69,801,000)~~  
\$69,566,000

Municipal Criminal Justice Assistance  
Appropriation ~~(\$26,950,000)~~  
\$26,843,000

City-County Assistance Account Appropriation for local  
government financial assistance distribution ~~(\$16,589,000)~~  
\$12,159,000

Liquor Excise Tax Account Appropriation for liquor  
excise tax distribution ~~(\$52,152,000)~~  
\$25,617,000

Streamlined Sales and Use Tax Mitigation Account  
Appropriation for distribution to local taxing  
jurisdictions to mitigate the unintended revenue

redistribution effect of the sourcing law changes ((~~\$49,635,000~~))  
 \$49,309,000  
 Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation ((~~\$7,441,000~~))  
 \$7,478,000  
 Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians((~~\$4,748,000~~))  
 \$4,794,000  
 Liquor Revolving Account Appropriation for liquor profits distribution((~~\$69,318,000~~))  
 \$85,132,000  
 TOTAL APPROPRIATION ((~~\$411,301,000~~))  
 \$407,953,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 802.** 2011 1st sp.s. c 50 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT  
 Impaired Driver Safety Account Appropriation ((~~\$2,501,000~~))  
 \$2,439,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2011-2013 fiscal biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 803.** 2011 1st sp.s. c 50 s 803 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT  
 Impaired Driver Safety Account Appropriation ((~~\$1,666,000~~))  
 \$1,626,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2011-2013 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 804.** 2011 2nd sp.s. c 9 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS  
 State Treasurer's Service Account: For transfer to the state general fund, \$16,300,000 for fiscal year 2012 and ((~~\$21,300,000~~))  
\$24,800,000 for fiscal year 2013 ((~~\$37,600,000~~))  
 \$41,100,000  
 Waste Reduction, Recycling, and Litter Control Account: For transfer to the state general fund, ((~~\$3,500,000~~)) \$4,847,000 for fiscal year 2012 and ((~~\$3,500,000~~)) \$4,847,000 for fiscal year 2013 ((~~\$7,000,000~~))  
 \$9,694,000  
 Aquatics Lands Enhancement Account: For transfer to the state general fund, \$3,500,000 for fiscal year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000  
 Savings Incentive Account: For transfer to the state general fund, \$44,618,000 for fiscal year 2012 \$44,618,000  
 Distinguished Professorship Trust Fund: For transfer to the state general fund for fiscal year 2012, an amount not to exceed the actual cash balance of the fund \$3,024,000  
 Washington Graduate Fellowship Trust Fund: For transfer to the state general fund for fiscal year 2012, an amount not to exceed the actual cash balance of the fund \$1,028,000  
 College Faculty Awards Trust Fund: For transfer to the state general fund for fiscal year 2012, an amount not to exceed the actual cash balance of the fund \$1,996,000  
 Data Processing Revolving Account: For transfer to the state general fund, \$5,960,000 for fiscal year 2012 \$5,960,000  
 Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account \$38,000,000  
 Economic Development Strategic Reserve Account: For transfer to the state general fund, \$2,100,000 for fiscal year 2012 and \$2,100,000 for fiscal year 2013 \$4,200,000  
 General Fund: For transfer to the streamlined sales and use tax account, ((~~\$24,846,000~~)) \$24,520,000 for fiscal year 2012 and \$24,789,000 for fiscal year 2013 ((~~\$49,635,000~~))  
 \$49,309,000  
 Public Works Assistance Account: For transfer to the water pollution control revolving account, \$7,750,000 for fiscal year 2012 and \$7,750,000 for fiscal year 2013 \$15,500,000  
 The Charitable, Educational, Penal, and Reformatory Institutions Account: For transfer to the state general fund, \$4,500,000 for fiscal year 2012 and \$4,500,000 for fiscal year 2013 \$9,000,000  
 Thurston County Capital Facilities Account: For transfer to the state general fund, \$4,000,000 for fiscal year 2012 and \$4,000,000 for fiscal year 2013 \$8,000,000  
 Public Works Assistance Account: For transfer to the drinking water assistance account, \$10,000,000 for fiscal year 2012 and \$5,000,000 for fiscal year 2013 \$15,000,000  
 Liquor Control Board Construction and Maintenance Account: For transfer to the state general fund, \$500,000 for fiscal year 2012 ((and \$500,000 for fiscal year 2013)) ((~~\$1,000,000~~))  
 \$500,000  
 Education Savings Account: For transfer to the state general fund, \$54,431,000 for fiscal

year 2012 ((and \$22,500,000 for fiscal year 2013)) (((\$76,931,000))  
 \$54,431,000

Department of Retirement Systems Expense Account:  
 For transfer to the state general fund, ~~(((\$250,000))~~  
\$2,330,000 for fiscal year 2012 and ~~(((\$250,000))~~  
\$2,330,000 for fiscal year 2013 ~~(((\$500,000))~~  
 \$4,660,000

Education Construction Account: For transfer to the state general fund, \$102,000,000 for fiscal year 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000

Public Works Assistance Account: For transfer to the state general fund, \$25,000,000 for fiscal year 2012 and \$25,000,000 for fiscal year 2013 \$50,000,000

Foster Care Endowed Scholarship Trust Fund: For transfer to the state general fund, \$200,000 for fiscal year 2012 and \$200,000 for fiscal year 2013 \$400,000

Affordable Housing For All Account: For transfer to the home security fund, \$1,000,000 for fiscal year 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000

Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account \$158,205,000

Tobacco Settlement Account: For transfer to the basic health plan stabilization account from the amounts deposited in the account that are attributable to the annual strategic contribution payment received in fiscal year 2012 \$22,000,000

Tobacco Settlement Account: For transfer to the basic health plan stabilization account from the amounts deposited in the account that are attributable to the annual strategic contribution payment received in fiscal year 2013 \$22,000,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual remaining amount of the annual strategic contribution payment to the tobacco settlement account for fiscal year 2012 \$6,000,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual remaining amount of the annual strategic contribution payment to the tobacco settlement account for fiscal year 2013 \$6,000,000

The transfer to the life sciences discovery fund is subject to the following conditions: All new grants awarded during the 2011-2013 fiscal biennium shall support and accelerate the commercialization of an identifiable product.

Financial Services Regulation Fund: For transfer to the state general fund, \$4,000,000 for fiscal year 2012 \$4,000,000

State Nursery Revolving Account: For transfer to the state general fund, \$250,000 for fiscal year 2012 and \$250,000 for fiscal year 2013 \$500,000

Aquatic Lands Enhancement Account: For transfer to the marine resources stewardship trust account, \$2,100,000 for fiscal year 2013 \$2,100,000

Coastal Protection Account: For transfer to the state general fund, \$500,000 for fiscal year 2012 and \$500,000 for fiscal year 2013 \$1,000,000

Flood Control Assistance Account: For transfer to the state general fund, \$500,000 for fiscal year 2012 and \$500,000 for fiscal year 2013 \$1,000,000

Washington State Heritage Center Account: For transfer to the state general fund, \$2,000,000 for fiscal

year 2013 \$2,000,000

Public Works Assistance Account: For transfer to the state general fund for fiscal year 2013, if legislation amending RCW 82.18.040 to deposit solid waste tax revenues into the state general fund rather than the public works assistance account is not enacted by June 30, 2012 \$70,658,000  
 (End of part)

## PART IX MISCELLANEOUS

**Sec. 901.** 2011 1st sp.s. c 50 s 910 (uncodified) is amended to read as follows:

### COLLECTIVE BARGAINING AGREEMENT FOR FISCAL YEAR 2012--TERMS AND CONDITIONS

For fiscal year 2012, no agreements have been reached between the governor and the following unions: Washington public employees association, Washington public employees association higher education community college coalition, Washington federation of state employees higher education community college coalition, Washington federation of state employees Central Washington University, Washington federation of state employees Western Washington University, Washington federation of state employees The Evergreen State College, and public school employees Western Washington University, under the provisions of chapter 41.80 RCW ~~((for the 2011-2013 biennium))~~ for fiscal year 2012. Appropriations in this act provide funding to continue the terms and conditions of the 2009-2011 general government and higher education agreements negotiated by the office of financial management's labor relations office under the provisions of chapter 41.80 RCW for fiscal year 2012. For fiscal year 2012, appropriations have been reduced in an amount equal to a 3 percent salary reduction for all represented employees whose monthly full-time equivalent salary is \$2,500 or more per month. This reduction will be implemented according to the terms and conditions of the 2009-2011 agreements. ~~((For fiscal year 2013, funding is reduced to reflect a 3.0 percent temporary salary reduction for all employees whose monthly full-time equivalent salary is \$2,500 or more per month through June 29, 2013. Effective June 30, 2013, the salary schedules effective July 1, 2009, through June 30, 2011, will be reinstated. For employees entitled to leave, temporary salary reduction leave is granted for fiscal year 2013. These changes will be implemented according to law.))~~

**NEW SECTION. Sec. 902.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

### COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WPEA, WPEA CC COALITION, WFSE CC COALITION, WFSE CWU, WFSE TESC

Agreements have been reached between the governor and the following unions: Washington public employees association, Washington public employees association higher education community college coalition, Washington federation of state employees higher education community college coalition, Washington federation of state employees Central Washington University, and Washington federation of state employees The Evergreen State College, under the provisions of chapter 41.80 RCW for fiscal year 2013. Funding is reduced to reflect a 3.0 percent temporary salary reduction for all employees whose monthly full-time equivalent salary is \$2,500 or more per month through June 29, 2013. Effective June 30, 2013, the salary schedules effective July 1, 2009, through June 30, 2011, will be reinstated. For employees entitled to

leave, temporary salary reduction leave is granted for fiscal year 2013.

**NEW SECTION. Sec. 903.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--YAKIMA VALLEY COMMUNITY COLLEGE--WASHINGTON PUBLIC EMPLOYEES ASSOCIATION**

An agreement has been reached between Yakima Valley Community College and Washington public employees association under the provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent with the funding reduction provided in the 2011-2013 omnibus appropriations act, which reflected a 3.0 percent temporary salary reduction to all employees whose monthly full-time equivalent salary is \$2,500 or more per month through June 29, 2013.

**NEW SECTION. Sec. 904.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON UNIVERSITY--PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

An agreement has been reached between Western Washington University and the Washington public school employees of Washington bargaining units D and PTE under the provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent with the funding reduction provided in the 2011-2013 omnibus appropriations act, which reflected a 3.0 percent temporary salary reduction to all employees whose monthly full-time equivalent salary is \$2,500 or more per month through June 29, 2013. The reduction will be implemented according to the terms and conditions of this agreement.

**NEW SECTION. Sec. 905.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--WESTERN WASHINGTON UNIVERSITY--WFSE**

An agreement has been reached between Western Washington University and the Washington federation of state employees bargaining units A, B, and E under the provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent with the funding reduction provided in the 2011-2013 omnibus appropriations act, which reflected a 3.0 percent temporary salary reduction to all employees whose monthly full-time equivalent salary is \$2,500 or more per month through June 29, 2013. The reduction will be implemented according to the terms and conditions of this agreement.

**NEW SECTION. Sec. 906.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**COLLECTIVE BARGAINING AGREEMENT--FISCAL YEAR 2013--EASTERN WASHINGTON UNIVERSITY--WFSE**

An agreement has been reached between Eastern Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for fiscal year 2013. The agreement is consistent with the funding reduction provided in the 2011-2013 omnibus appropriations act, which reflected a 3.0 percent temporary salary reduction to all employees whose monthly full-time equivalent salary is \$2,500 or more per month through June 29, 2013. The reduction will be implemented according to the terms and conditions of this agreement.

**Sec. 907.** 2011 1st sp.s. c 50 s 920 (uncodified) is amended to read as follows:

**COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$850 per eligible employee for

fiscal year 2012. For fiscal year 2013 the monthly employer funding rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be \$150.00 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$66.01 per month beginning September 1, 2011, and (~~(\$67.94)~~) \$65.17 beginning September 1, 2012;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$66.01 each month beginning September 1, 2011, and (~~(\$67.94)~~) \$65.17 beginning September 1, 2012, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**Sec. 908.** 2011 1st sp.s. c 50 s 921 (uncodified) is amended to read as follows:

**COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

Appropriations for state agencies in this act are sufficient for represented employees outside the super coalition for health benefits, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$850 per eligible employee for fiscal year 2012. For fiscal year 2013 the monthly employer funding rate shall not exceed (~~(\$850)~~) \$800 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW

41.05.085. For calendar years 2012 and 2013, the subsidy shall be \$150.00 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$66.01 per month beginning September 1, 2011, and ~~(\$67.91)~~ \$65.17 beginning September 1, 2012;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$66.01 each month beginning September 1, 2011, and ~~(\$67.91)~~ \$65.17 beginning September 1, 2012, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**Sec. 909.** 2011 1st sp.s. c 50 s 922 (uncodified) is amended to read as follows:

**COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE BENEFITS**

The collective bargaining agreement negotiated with the super coalition under chapter 41.80 RCW includes employer premiums at 85 percent of the total weighted average of the projected health care premiums across all plans and tiers. Appropriations in this act for state agencies, including institutions of higher education are sufficient to fund state employees health benefits for employees represented by the super coalition on health benefits, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$850 per eligible employee for fiscal year 2012. For fiscal year 2013 the monthly employer funding rate shall not exceed ~~(\$850)~~ \$800 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be \$150.00 per month.

**NEW SECTION. Sec. 910.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

For purposes of RCW 43.88.110(7), any cash deficit in existence at the close of fiscal year 2012 shall be liquidated over the remainder of the 2011-2013 fiscal biennium.

**Sec. 911.** 2011 1st sp.s. c 7 s 11 (uncodified) is amended to read as follows:

(1) For fiscal years 2012 and 2013 and subject to appropriation, the department of social and health services shall do a comparative analysis of the facility-based payment rates calculated on July 1, ~~(2011)~~ 2012, using the payment methodology defined in chapter

74.46 RCW as modified by sections 1 through 9 of this act, to the facility-based payment rates in effect June 30, 2010. If the facility-based payment rate calculated on July 1, ~~(2011)~~ 2012, is smaller than the facility-based payment rate on June 30, ~~(2011)~~ 2010, the difference shall be provided to the individual nursing facilities as an add-on payment per medicaid resident day.

(2) During the comparative analysis performed in subsection (1) of this section, if it is found that the direct care rate for any facility calculated on March 1, 2012, under sections 1 through 9 ~~((of this act)) chapter 7, Laws of 2011 1st sp. sess.~~, is greater than the direct care rate in effect on June 30, 2010, then the facility shall receive a ten percent direct care rate add-on to compensate that facility for taking on more acute clients than they have in the past.

(3) The rate add-ons provided in subsection (2) of this section are subject to the reconciliation and settlement process provided in RCW 74.46.022(6).

**Sec. 912.** RCW 2.68.020 and 2009 c 564 s 1802 and 2009 c 564 s 918 are each reenacted and amended to read as follows:

There is created an account in the custody of the state treasurer to be known as the judicial information system account. The administrative office of the courts shall maintain and administer the account, in which shall be deposited all moneys received from in-state noncourt users and any out-of-state users of the judicial information system and moneys as specified in RCW 2.68.040 for the purposes of providing judicial information system access to noncourt users and providing an adequate level of automated services to the judiciary. The legislature shall appropriate the funds in the account for the purposes of the judicial information system. The account shall be used for the acquisition of equipment, software, supplies, services, and other costs incidental to the acquisition, development, operation, and administration of information services, telecommunications, systems, software, supplies, and equipment, including the payment of principal and interest on items paid in installments. ~~((During the 2007-2009 fiscal biennium, the legislature may transfer from the judicial information system account to the state general fund such amounts as reflect the excess fund balance of the account. During the 2009-2011 fiscal biennium, the legislature may transfer from the judicial information system account to the state general fund such amounts as reflect the excess fund balance of the account.))~~ During the 2011-2013 fiscal biennium, the judicial information systems account may be appropriated to support the state law library.

**Sec. 913.** RCW 28B.15.067 and 2011 1st sp.s. c 10 s 3 are each amended to read as follows:

(1) Tuition fees shall be established under the provisions of this chapter.

(2) Beginning in the 2011-12 academic year, reductions or increases in full-time tuition fees shall be as provided in the omnibus appropriations act for resident undergraduate students at community and technical colleges. The governing boards of the state universities, regional universities, and The Evergreen State College; and the state board for community and technical colleges may reduce or increase full-time tuition fees for all students other than resident undergraduates, including nonresident students, summer school students, and students in other self-supporting degree programs. Percentage increases in full-time tuition may exceed the fiscal growth factor. Except during the 2011-2013 fiscal biennium, the state board for community and technical colleges may pilot or institute differential tuition models. The board may define scale, scope, and rationale for the models.

(3)(a) Beginning with the 2011-12 academic year and through the end of the 2014-15 academic year, the governing boards of the state universities, the regional universities, and The Evergreen State College may reduce or increase full-time tuition fees for all students, including summer school students and students in other self-supporting degree programs. Percentage increases in full-time tuition fees may exceed the fiscal growth factor. Except for resident

undergraduate students during the 2011-2013 fiscal biennium, reductions or increases may be made for all or portions of an institution's programs, campuses, courses, or students.

(b) Prior to reducing or increasing tuition for each academic year, the governing boards of the state universities, the regional universities, and The Evergreen State College shall consult with existing student associations or organizations with student undergraduate and graduate representatives regarding the impacts of potential tuition increases. Governing boards shall be required to provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.

(c) Prior to reducing or increasing tuition for each academic year, the state board for community and technical college system shall consult with existing student associations or organizations with undergraduate student representation regarding the impacts of potential tuition increases. The state board for community and technical colleges shall provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.

(4) Beginning with the 2015-16 academic year through the 2018-19 academic year, the governing boards of the state universities, regional universities, and The Evergreen State College may set tuition for resident undergraduates as follows:

(a) If state funding for a college or university falls below the state funding provided in the operating budget for fiscal year 2011, the governing board may increase tuition up to the limits set in (d) of this subsection, reduce enrollments, or both;

(b) If state funding for a college or university is at least at the level of state funding provided in the operating budget for fiscal year 2011, the governing board may increase tuition up to the limits set in (d) of this subsection and shall continue to at least maintain the actual enrollment levels for fiscal year 2011 or increase enrollments as required in the omnibus appropriations act; ~~(and)~~

(c) If state funding is increased so that combined with resident undergraduate tuition the sixtieth percentile of the total per-student funding at similar public institutions of higher education in the global challenge states under RCW 28B.15.068 is exceeded, the governing board shall decrease tuition by the amount needed for the total per-student funding to be at the sixtieth percentile under RCW 28B.15.068; and

(d) The amount of tuition set by the governing board for an institution under this subsection (4) may not exceed the sixtieth percentile of the resident undergraduate tuition of similar public institutions of higher education in the global challenge states.

(5) The tuition fees established under this chapter shall not apply to high school students enrolling in participating institutions of higher education under RCW 28A.600.300 through 28A.600.400.

(6) The tuition fees established under this chapter shall not apply to eligible students enrolling in a dropout reengagement program through an interlocal agreement between a school district and a community or technical college under RCW 28A.175.100 through 28A.175.110.

(7) The tuition fees established under this chapter shall not apply to eligible students enrolling in a community or technical college participating in the pilot program under RCW 28B.50.534 for the purpose of obtaining a high school diploma.

(8) Beginning in the 2019-20 academic year, reductions or increases in full-time tuition fees for resident undergraduates at four-year institutions of higher education shall be as provided in the omnibus appropriations act.

(9) The legislative advisory committee to the committee on advanced tuition payment established in RCW 28B.95.170 shall:

(a) Review the impact of differential tuition rates on the funded status and future unit price of the Washington advanced college tuition payment program; and

(b) No later than January 14, 2013, make a recommendation to the appropriate policy and fiscal committees of the legislature regarding how differential tuition should be addressed in order to maintain the ongoing solvency of the Washington advanced college tuition payment program.

**Sec. 914.** RCW 38.52.540 and 2010 1st sp.s. c 19 s 18 are each amended to read as follows:

(1) The enhanced 911 account is created in the state treasury. All receipts from the state enhanced 911 excise taxes imposed by RCW 82.14B.030 must be deposited into the account. Moneys in the account must be used only to support the statewide coordination and management of the enhanced 911 system, for the implementation of wireless enhanced 911 statewide, for the modernization of enhanced 911 emergency communications systems statewide, and to help supplement, within available funds, the operational costs of the system, including adequate funding of counties to enable implementation of wireless enhanced 911 service and reimbursement of radio communications service companies for costs incurred in providing wireless enhanced 911 service pursuant to negotiated contracts between the counties or their agents and the radio communications service companies. For the 2011-2013 fiscal biennium, the account may be used for modernizing narrowband radio capability in the department of corrections. A county must show just cause, including but not limited to a true and accurate accounting of the funds expended, for any inability to provide reimbursement to radio communications service companies of costs incurred in providing enhanced 911 service.

(2) Funds generated by the enhanced 911 excise tax imposed by RCW 82.14B.030(5) may not be distributed to any county that has not imposed the maximum county enhanced 911 excise tax allowed under RCW 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed by RCW 82.14B.030(6) may not be distributed to any county that has not imposed the maximum county enhanced 911 excise tax allowed under RCW 82.14B.030(2).

(3) The state enhanced 911 coordinator, with the advice and assistance of the enhanced 911 advisory committee, is authorized to enter into statewide agreements to improve the efficiency of enhanced 911 services for all counties and shall specify by rule the additional purposes for which moneys, if available, may be expended from this account.

**Sec. 915.** RCW 43.07.129 and 2011 1st sp.s. c 50 s 940 are each amended to read as follows:

The Washington state heritage center account is created in the custody of the state treasurer. All moneys received under RCW 36.18.010(11) and 43.07.128 must be deposited in the account. Expenditures from the account may be made only for the following purposes:

(1) Payment of the certificate of participation issued for the Washington state heritage center;

(2) Capital maintenance of the Washington state heritage center; and

(3) Program operations that serve the public, relate to the collections and exhibits housed in the Washington state heritage center, or fulfill the missions of the state archives, state library, and capital museum.

Only the secretary of state or the secretary of state's designee may authorize expenditures from the account. An appropriation is not required for expenditures, but the account is subject to allotment procedures under chapter 43.88 RCW. During the 2011-2013 fiscal biennium, the legislature may appropriate from the Washington state heritage center account for the purposes of state arts, historical, and library programs. Additionally, during the 2011-2013 fiscal biennium, the legislature may transfer from the Washington state heritage center account to the state general fund such amounts as reflect the excess fund balance of the fund.

**Sec. 916.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to read as follows:

Starting in ~~((2012))~~ 2014, and at least once every three years thereafter, each agency shall apply to the Washington state quality award, or similar organization, for an independent assessment of its quality management, accountability, and performance system. The assessment shall evaluate the effectiveness of all elements of its management, accountability, and performance system, including: Leadership, strategic planning, customer focus, analysis and information, employee performance management, and process improvement. The purpose of the assessment is to recognize best practice and identify improvement opportunities.

**Sec. 917.** RCW 43.30.720 and 2003 1st sp.s. c 25 s 938 are each amended to read as follows:

All receipts from the sale of stock or seed shall be deposited in a state forest nursery revolving fund to be maintained by the department, which is hereby authorized to use all money in said fund for the maintenance of the state tree nursery or the planting of denuded state owned lands.

During the ~~((2003-2005))~~ 2011-2013 fiscal biennium, the legislature may transfer from the state forest nursery revolving fund to the state general fund such amounts as reflect the excess fund balance of the fund.

**Sec. 918.** RCW 43.88.110 and 2009 c 518 s 3 are each amended to read as follows:

This section sets forth the expenditure programs and the allotment and reserve procedures to be followed by the executive branch for public funds.

(1) Allotments of an appropriation for any fiscal period shall conform to the terms, limits, or conditions of the appropriation.

(2) The director of financial management shall provide all agencies with a complete set of operating and capital instructions for preparing a statement of proposed expenditures at least thirty days before the beginning of a fiscal period. The set of instructions need not include specific appropriation amounts for the agency.

(3) Within forty-five days after the beginning of the fiscal period or within forty-five days after the governor signs the omnibus biennial appropriations act, whichever is later, all agencies shall submit to the governor a statement of proposed expenditures at such times and in such form as may be required by the governor.

(4) The office of financial management shall develop a method for monitoring capital appropriations and expenditures that will capture at least the following elements:

(a) Appropriations made for capital projects including transportation projects;

(b) Estimates of total project costs including past, current, ensuing, and future biennial costs;

(c) Comparisons of actual costs to estimated costs;

(d) Comparisons of estimated construction start and completion dates with actual dates;

(e) Documentation of fund shifts between projects.

This data may be incorporated into the existing accounting system or into a separate project management system, as deemed appropriate by the office of financial management.

(5) The office of financial management, prior to approving allotments for major capital construction projects valued over five million dollars, shall institute procedures for reviewing such projects at the pre-design stage that will reduce long-term costs and increase facility efficiency. The procedures shall include, but not be limited to, the following elements:

(a) Evaluation of facility program requirements and consistency with long-range plans;

(b) Utilization of a system of cost, quality, and performance standards to compare major capital construction projects; and

(c) A requirement to incorporate value-engineering analysis and constructability review into the project schedule.

(6) No expenditure may be incurred or obligation entered into for such major capital construction projects including, without exception, land acquisition, site development, pre-design, design, construction, and equipment acquisition and installation, until the allotment of the funds to be expended has been approved by the office of financial management. This limitation does not prohibit the continuation of expenditures and obligations into the succeeding biennium for projects for which allotments have been approved in the immediate prior biennium.

(7)(a) Beginning January 1, 2013, if at any time during the fiscal period the governor projects a cash deficit in a particular fund or account as defined by RCW 43.88.050, the governor shall make across-the-board reductions in allotments for that particular fund or account so as to prevent a cash deficit, unless the legislature has directed the liquidation of the cash deficit over one or more fiscal periods.

(b)(i) From the effective date of this section until January 1, 2013, if at any time during the fiscal period the governor projects a cash deficit in a particular fund or account as defined by RCW 43.88.050, then as set forth in (b) of this subsection the governor shall make across-the-board reductions in the total amount allotted to each agency from each appropriation from that fund or account so as to prevent a cash deficit, unless the legislature has directed the liquidation of the cash deficit over one or more fiscal periods.

(ii) The percentage reduction applied to individual allotments of an agency's total allotments from each appropriation from that fund or account may vary, but each agency's total allotments from each appropriation from that fund or account must be uniformly reduced by the percentage necessary to prevent a cash deficit. Where a portion of an appropriation is provided solely for a particular purpose, allotments of that portion of the appropriation may be reduced only by the same percentage as the overall appropriation.

(iii) Allotments for the following programs may be reduced only by a percentage equal to one-half of the percentage reduction applied to total allotments of appropriations under (b)(ii) of this subsection:

(A) Direct custody in the department of corrections and the juvenile rehabilitation administration; and

(B) The special commitment center of the department of social and health services.

(iv) Basic education programs, debt service on state bonds, state contributions to retirement systems, and programs for which a defined benefit is specifically mandated in statute are exempt from across-the-board allotment reductions under this subsection (7)(b) and allotments for these purposes shall not be included when calculating the allotment reductions.

(8) Except for the legislative and judicial branches and other agencies headed by elective officials, the governor shall review the statement of proposed operating expenditures for reasonableness and conformance with legislative intent. The governor may request corrections of proposed allotments submitted by the legislative and judicial branches and agencies headed by elective officials if those proposed allotments contain significant technical errors.

(9) Once the governor approves the proposed allotments, further revisions may at the request of the office of financial management or upon the agency's initiative be made on a quarterly basis and must be accompanied by an explanation of the reasons for significant changes. If the governor initiates across-the-board allotment revisions under subsection (7)(b) of this section, the office of financial management shall provide notice to the appropriate legislative fiscal committees of the proposed revisions, including the explanation for the significant changes, and the revisions may not take effect until ten days after this notice is provided. However, changes in appropriation level authorized by the legislature, changes required by across-the-board reductions mandated by the governor, changes caused by executive increases to spending authority, and changes caused by executive decreases to spending authority for failure to comply with the

provisions of chapter 36.70A RCW may require additional revisions. Revisions shall not be made retroactively. However, the governor may assign to a reserve status any portion of an agency appropriation withheld as part of across-the-board reductions made by the governor and any portion of an agency appropriation conditioned on a contingent event by the appropriations act. The governor may remove these amounts from reserve status if the across-the-board reductions are subsequently modified or if the contingent event occurs. The director of financial management shall enter approved statements of proposed expenditures into the state budgeting, accounting, and reporting system within forty-five days after receipt of the proposed statements from the agencies. If an agency or the director of financial management is unable to meet these requirements, the director of financial management shall provide a timely explanation in writing to the legislative fiscal committees.

(8) It is expressly provided that all agencies shall be required to maintain accounting records and to report thereon in the manner prescribed in this chapter and under the regulations issued pursuant to this chapter. Within ninety days of the end of the fiscal year, all agencies shall submit to the director of financial management their final adjustments to close their books for the fiscal year. Prior to submitting fiscal data, written or oral, to committees of the legislature, it is the responsibility of the agency submitting the data to reconcile it with the budget and accounting data reported by the agency to the director of financial management.

(9) The director of financial management may exempt certain public funds from the allotment controls established under this chapter if it is not practical or necessary to allot the funds. Allotment control exemptions expire at the end of the fiscal biennium for which they are granted. The director of financial management shall report any exemptions granted under this subsection to the legislative fiscal committees.

**Sec. 919.** RCW 43.320.110 and 2010 1st sp.s. c 37 s 934 are each amended to read as follows:

There is created a local fund known as the "financial services regulation fund" which shall consist of all moneys received by the divisions of the department of financial institutions, except for the division of securities which shall deposit thirteen percent of all moneys received, except as provided in RCW 43.320.115, and which shall be used for the purchase of supplies and necessary equipment; the payment of salaries, wages, and utilities; the establishment of reserves; and other incidental costs required for the proper regulation of individuals and entities subject to regulation by the department. The state treasurer shall be the custodian of the fund. Disbursements from the fund shall be on authorization of the director of financial institutions or the director's designee. In order to maintain an effective expenditure and revenue control, the fund shall be subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditures and payment of obligations from the fund.

During the ~~((2009-2011))~~ 2011-2013 fiscal biennium, the legislature may transfer from the financial services regulation fund to the state general fund such amounts as reflect the excess fund balance of the fund.

**Sec. 920.** RCW 66.08.190 and 2011 1st sp.s. c 50 s 960 are each amended to read as follows:

(1) Except for revenues generated by the 2003 surcharge of \$0.42/liter on retail sales of spirits that must be distributed to the state general fund during the 2003-2005 biennium, when excess funds are distributed, except as provided in subsection (4) of this section, all moneys subject to distribution must be disbursed as follows:

(a) Three-tenths of one percent to border areas under RCW 66.08.195; and

(b) ~~((Except as provided in subsection (4) of this section,))~~ From the amount remaining after distribution under (a) of this subsection, (i) fifty percent to the general fund of the state, (ii) ten percent to the

counties of the state, and (iii) forty percent to the incorporated cities and towns of the state.

(2) During the months of June, September, December, and March of each year, prior to disbursing the distribution to incorporated cities and towns under subsection (1)(b) of this section, the treasurer must deduct from that distribution an amount that will fund that quarter's allotments under RCW 43.88.110 from any legislative appropriation from the city and town research services account. The treasurer must deposit the amount deducted into the city and town research services account.

(3) The governor may notify and direct the state treasurer to withhold the revenues to which the counties and cities are entitled under this section if the counties or cities are found to be in noncompliance pursuant to RCW 36.70A.340.

(4) ~~(a) During ((the 2011-2013 fiscal biennium))~~ fiscal year 2012, from the amount remaining after distribution under subsection (1)(a) of this section, (a) 51.7 percent to the general fund of the state, (b) 9.7 percent to the counties of the state, and (c) 38.6 percent to the incorporated cities and towns of the state.

(b) During the 2013 fiscal year, distributions must first be made pursuant to section 302 of Initiative Measure No. 1183, and the remainder must be deposited into the general fund.

**Sec. 921.** RCW 70.105D.070 and 2011 1st sp.s. c 50 s 964 are each reenacted and amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship;

(xii) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150;

(xiii) During the 2009-2011 and 2011-2013 fiscal biennia, shoreline update technical assistance;

(xiv) During the 2009-2011 fiscal biennium, multijurisdictional permitting teams; ~~((and))~~

(xv) During the 2011-2013 fiscal biennium, actions for reducing public exposure to toxic air pollution; and

(xvi) During the 2011-2013 fiscal biennium, the department of ecology's water quality shorelands, environmental assessment, hazardous waste, waste to resources, nuclear waste, and indirect costs.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority:

(i) Remedial actions;

(ii) Hazardous waste plans and programs under chapter 70.105 RCW;

(iii) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(iv) Funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and

(v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, defined for the purposes of this section as vessels that have little or no value and either have no identified owner or have an identified owner lacking financial resources to clean up and dispose of the vessel, that pose a threat to human health or the environment.

(b) Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that is a Puget Sound partner, as defined in RCW 90.71.010, along with any project that is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, shall, except as conditioned by RCW 70.105D.120, receive priority for any available funding for any grant or funding programs or sources that use a competitive bidding process. During the 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

(c) To expedite cleanups throughout the state, the department shall partner with local communities and liable parties for cleanups. The department is authorized to use the following additional strategies in order to ensure a healthful environment for future generations:

(i) The director may alter grant-matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:

(A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;

(B) Funding would create new substantial economic development, public recreational, or habitat restoration opportunities that would not otherwise occur; or

(C) Funding would create an opportunity for acquisition and redevelopment of vacant, orphaned, or abandoned property under RCW 70.105D.040(5) that would not otherwise occur;

(ii) The use of outside contracts to conduct necessary studies;

(iii) The purchase of remedial action cost-cap insurance, when necessary to expedite multiparty clean-up efforts.

(d) To facilitate and expedite cleanups using funds from the local toxics control account, during the 2009-2011 fiscal biennium the director may establish grant-funded accounts to hold and disperse local toxics control account funds and funds from local governments to be used for remedial actions.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) Except during the ~~((2009-2011))~~ 2011-2013 fiscal biennium, one percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

(7) The department shall adopt rules for grant or loan issuance and performance.

(8) During the 2007-2009 and 2009-2011 fiscal biennia, the legislature may transfer from the local toxics control account to either the state general fund or the oil spill prevention account, or both such amounts as reflect excess fund balance in the account.

(9) During the 2009-2011 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay, local government shoreline update grants, private and public sector diesel equipment retrofit, and oil spill prevention, preparedness, and response activities.

(10) During the 2009-2011 fiscal biennium, the legislature may transfer from the state toxics control account to the state general fund such amounts as reflect the excess fund balance in the account.

(11) During the 2011-2013 fiscal biennium, the local toxics control account may also be used for local government shoreline update grants and actions for reducing public exposure to toxic air pollution.

**Sec. 922.** RCW 74.08A.340 and 2009 c 564 s 953 are each amended to read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.200 through 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW within the following constraints:

(1) The full amount of the temporary assistance for needy families block grant, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the department each year in the biennial appropriations act to carry out the provisions of the program authorized in RCW 74.08A.200 through 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW.

(2)(a) The department may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures defined in RCW 74.08A.410 with the following exception: Beginning with the 2007-2009 biennium, funds that constitute the working connections child care program, child care quality programs, and child care licensing functions.

(b) Beginning in the 2007-2009 fiscal biennium, the legislature shall appropriate and the departments of early learning and social and health services shall expend funds defined in subsection (1) of this section that constitute the working connections child care program, child care quality programs, and child care licensing functions in a manner that is consistent with the outcome measures defined in RCW 74.08A.410.

(c) No more than fifteen percent of the amount provided in subsection (1) of this section may be spent for administrative purposes. For the purpose of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193. The department shall not increase grant levels to recipients of the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW, except ~~((as authorized in the omnibus appropriations act for the 2009-2011 biennium))~~ that during fiscal year 2013 the department may increase the grant levels by up to five percent.

(3) The department shall implement strategies that accomplish the outcome measures identified in RCW 74.08A.410 that are within the funding constraints in this section. Specifically, the department shall implement strategies that will cause the number of cases in the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW to decrease by at least fifteen percent during the 1997-99 biennium and by at least five percent in the subsequent biennium. The department may transfer appropriation authority between funding categories within the economic services program in order to carry out the requirements of this subsection.

(4) The department shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section. The department shall quarterly make a determination as to whether expenditure levels will exceed available funding and communicate its finding to the legislature. If the determination indicates that expenditures will exceed funding at the end of the fiscal year, the department shall take all necessary actions to ensure that all services provided under this chapter shall be made available only to the extent of the availability and level of appropriation made by the legislature.

**Sec. 923.** RCW 74.48.090 and 2011 1st sp.s. c 7 s 21 are each amended to read as follows:

(1) The department and the department of health, in consultation with the Washington state health care association, and aging services of Washington, shall design a system of skilled nursing facility quality incentive payments. The design of the system shall be submitted to the relevant policy and fiscal committees of the legislature by ~~((December 15, 2014))~~ January 1, 2013. For the 2011-2013 fiscal biennial budget period, the department shall not implement a system of skilled nursing facility quality incentive payments designed pursuant to this section. The system shall be based upon the following principles:

(a) Evidence-based treatment and processes shall be used to improve health care outcomes for skilled nursing facility residents;

(b) Effective purchasing strategies to improve the quality of health care services should involve the use of common quality improvement measures, while recognizing that some measures may not be appropriate for application to facilities with high bariatric, behaviorally challenged, or rehabilitation populations;

(c) Quality measures chosen for the system should be consistent with the standards that have been developed by national quality improvement organizations, such as the national quality forum, the federal centers for medicare and medicaid services, or the federal agency for healthcare research and quality. New reporting burdens to skilled nursing facilities should be minimized by giving priority to measures skilled nursing facilities that are currently required to report to governmental agencies, such as the nursing home compare measures collected by the federal centers for medicare and medicaid services;

(d) Benchmarks for each quality improvement measure should be set at levels that are feasible for skilled nursing facilities to achieve, yet represent real improvements in quality and performance for a majority of skilled nursing facilities in Washington state; and

(e) Skilled nursing facilities performance and incentive payments should be designed in a manner such that all facilities in Washington are able to receive the incentive payments if performance is at or above the benchmark score set in the system established under this section.

(2) Pursuant to an appropriation by the legislature, for state fiscal year ~~((2013))~~ 2014 and each fiscal year thereafter, assessments may be increased to support an additional one percent increase in skilled nursing facility reimbursement rates for facilities that meet the quality incentive benchmarks established under this section.

**Sec. 924.** RCW 76.04.610 and 2007 c 110 s 1 are each amended to read as follows:

(1)(a) If any owner of forest land within a forest protection zone neglects or fails to provide adequate fire protection as required by RCW 76.04.600, the department shall provide such protection and shall annually impose the following assessments on each parcel of such land: (i) A flat fee assessment of seventeen dollars and fifty cents; and (ii) twenty-seven cents on each acre exceeding fifty acres.

(b) Assessors may, at their option, collect the assessment on tax exempt lands. If the assessor elects not to collect the assessment, the department may bill the landowner directly.

(2) An owner who has paid assessments on two or more parcels, each containing fewer than fifty acres and each within the same county, may obtain the following refund:

(a) If all the parcels together contain less than fifty acres, then the refund is equal to the flat fee assessments paid, reduced by the total of (i) seventeen dollars and (ii) the total of the amounts retained by the county from such assessments under subsection (5) of this section.

(b) If all the parcels together contain fifty or more acres, then the refund is equal to the flat fee assessments paid, reduced by the total of (i) seventeen dollars, (ii) twenty-seven cents for each acre exceeding fifty acres, and (iii) the total of the amounts retained by the county from such assessments under subsection (5) of this section.

Applications for refunds shall be submitted to the department on a form prescribed by the department and in the same year in which the assessments were paid. The department may not provide refunds to applicants who do not provide verification that all assessments and property taxes on the property have been paid. Applications may be made by mail.

In addition to the procedures under this subsection, property owners with multiple parcels in a single county who qualify for a refund under this section may apply to the department on an application listing all the parcels owned in order to have the assessment computed on all parcels but billed to a single parcel. Property owners with the following number of parcels may apply to the department in the year indicated:

Year	Number of Parcels
2002	10 or more parcels
2003	8 or more parcels
2004 and thereafter	6 or more parcels

The department must compute the correct assessment and allocate one parcel in the county to use to collect the assessment. The county must then bill the forest fire protection assessment on that one allocated identified parcel. The landowner is responsible for notifying the department of any changes in parcel ownership.

(3) Beginning January 1, 1991, under the administration and at the discretion of the department up to two hundred thousand dollars per year of this assessment shall be used in support of those rural fire districts assisting the department in fire protection services on forest lands.

(4) For the purpose of this chapter, the department may divide the forest lands of the state, or any part thereof, into districts, for fire protection and assessment purposes, may classify lands according to the character of timber prevailing, and the fire hazard existing, and place unprotected lands under the administration of the proper district. Amounts paid or contracted to be paid by the department for protection of forest lands from funds at its disposal shall be a lien upon the property protected, unless reimbursed by the owner within ten days after October 1st of the year in which they were incurred. The department shall be prepared to make statement thereof, upon request, to a forest owner whose own protection has not been previously approved as to its adequacy, the department shall report the same to the assessor of the county in which the property is situated. The assessor shall extend the amounts upon the tax rolls covering the property, and upon authorization from the department shall levy the forest protection assessment against the amounts of unimproved land as shown in each ownership on the county assessor's records. The assessor may then segregate on the records to provide that the improved land and improvements thereon carry the millage levy designed to support the rural fire protection districts as provided for in RCW 52.16.170.

(5) The amounts assessed shall be collected at the time, in the same manner, by the same procedure, and with the same penalties attached that general state and county taxes on the same property are collected, except that errors in assessments may be corrected at any time by the department certifying them to the treasurer of the county in which the land involved is situated. Assessments shall be known and designated as assessments of the year in which the amounts became reimbursable. Upon the collection of assessments the county treasurer shall place fifty cents of the total assessments paid on a parcel for fire protection into the county current expense fund to defray the costs of listing, billing, and collecting these assessments. The treasurer shall then transmit the balance to the department. Collections shall be applied against expenses incurred in carrying out the provisions of this section, including necessary and reasonable administrative costs incurred by the department in the enforcement of these provisions. The department may also expend sums collected from owners of forest lands or received from any other source for necessary administrative costs in connection with the enforcement of RCW 76.04.660.

(6) When land against which forest protection assessments are outstanding is acquired for delinquent taxes and sold at public auction, the state shall have a prior lien on the proceeds of sale over and above the amount necessary to satisfy the county's delinquent tax judgment. The county treasurer, in case the proceeds of sale exceed the amount of the delinquent tax judgment, shall immediately remit to the department the amount of the outstanding forest protection assessments.

(7) All nonfederal public bodies owning or administering forest land included in a forest protection zone shall pay the forest protection assessments provided in this section and the special forest fire suppression account assessments under RCW 76.04.630. The forest protection assessments and special forest fire suppression account assessments shall be payable by nonfederal public bodies from available funds within thirty days following receipt of the written notice from the department which is given after October 1st of the year in which the protection was provided. Unpaid assessments are not a lien against the nonfederal publicly owned land but shall constitute a debt by the nonfederal public body to the department and are subject to interest charges at the legal rate. During the 2011-2013 fiscal biennium, the forest fire protection assessment account may be

used by the joint legislative audit review committee to contract for analysis and recommendations to improve the efficiency and effectiveness of the state's mechanisms for funding fire prevention and suppression activities.

(8) A public body, having failed to previously pay the forest protection assessments required of it by this section, which fails to suppress a fire on or originating from forest lands owned or administered by it, is liable for the costs of suppression incurred by the department or its agent and is not entitled to reimbursement of costs incurred by the public body in the suppression activities.

(9) The department may adopt rules to implement this section, including, but not limited to, rules on levying and collecting forest protection assessments.

**Sec. 925.** RCW 77.12.201 and 2009 c 479 s 63 are each amended to read as follows:

The legislative authority of a county may elect, by giving written notice to the director and the treasurer prior to January 1st of any year, to obtain for the following year an amount in lieu of real property taxes on game lands as provided in RCW 77.12.203. Upon the election, the county shall keep a record of all fines, forfeitures, reimbursements, and costs assessed and collected, in whole or in part, under this title for violations of law or rules adopted pursuant to this title, with the exception of the 2011-2013 fiscal biennium, and shall monthly remit an amount equal to the amount collected to the state treasurer for deposit in the state general fund. The election shall continue until the department is notified differently prior to January 1st of any year.

**Sec. 926.** RCW 77.12.203 and 2005 c 303 s 14 are each amended to read as follows:

(1) Except as provided in subsection (5) of this section and notwithstanding RCW 84.36.010 or other statutes to the contrary, the director shall pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes equal to that amount paid on similar parcels of open space land taxable under chapter 84.34 RCW or the greater of seventy cents per acre per year or the amount paid in 1984 plus an additional amount for control of noxious weeds equal to that which would be paid if such lands were privately owned. This amount shall not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, tidelands, or public fishing areas of less than one hundred acres.

(2) "Game lands," as used in this section and RCW 77.12.201, means those tracts one hundred acres or larger owned in fee by the department and used for wildlife habitat and public recreational purposes. All lands purchased for wildlife habitat, public access or recreation purposes with federal funds in the Snake River drainage basin shall be considered game lands regardless of acreage.

(3) This section shall not apply to lands transferred after April 23, 1990, to the department from other state agencies.

(4) The county shall distribute the amount received under this section in lieu of real property taxes to all property taxing districts except the state in appropriate tax code areas the same way it would distribute local property taxes from private property. The county shall distribute the amount received under this section for weed control to the appropriate weed district.

(5) For the 2011-2013 fiscal biennium, the director shall pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes and shall be distributed as follows:

**County**

Adams ..... 1,909

<u>Asotin</u> .....	<u>36,123</u>
<u>Chelan</u> .....	<u>24,757</u>
<u>Columbia</u> .....	<u>7,795</u>
<u>Ferry</u> .....	<u>6,781</u>
<u>Garfield</u> .....	<u>4,840</u>
<u>Grant</u> .....	<u>37,443</u>
<u>Grays Harbor</u> .....	<u>7,264</u>
<u>Kittitas</u> .....	<u>143,974</u>
<u>Klickitat</u> .....	<u>21,906</u>
<u>Lincoln</u> .....	<u>13,535</u>
<u>Okanogan</u> .....	<u>151,402</u>
<u>Pend Oreille</u> .....	<u>3,309</u>
<u>Yakima</u> .....	<u>126,225</u>

These amounts shall not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, tidelands, or public fishing areas of less than one hundred acres.

**Sec. 927.** RCW 77.95.090 and 2009 c 340 s 4 are each amended to read as follows:

The dedicated regional fisheries enhancement group account is created in the custody of the state treasurer. Only the commission or the commission's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

A portion of each recreational fishing license fee shall be used as provided in RCW 77.32.440. A surcharge of one hundred dollars shall be collected on each commercial salmon fishery license, each salmon delivery license, and each salmon charter license sold in the state. All receipts shall be placed in the regional fisheries enhancement group account and shall be used exclusively for regional fisheries enhancement group projects for the purposes of RCW 77.95.110. For the 2011-2013 fiscal biennium, the regional fisheries enhancement group account may be used for the purposes of RCW 77.95.070 and hatcheries. Except as provided in RCW 77.95.320, funds from the regional fisheries enhancement group account shall not serve as replacement funding for department operated salmon projects that exist on January 1, 1991.

All revenue from the department's sale of salmon carcasses and eggs that return to group facilities shall be deposited in the regional fisheries enhancement group account for use by the regional fisheries enhancement group that produced the surplus. The commission shall adopt rules to implement this section pursuant to chapter 34.05 RCW.

**Sec. 928.** RCW 79.22.010 and 2003 c 334 s 205 are each amended to read as follows:

(1) The department has the power to accept gifts and bequests of money or other property, made in its own name, or made in the name of the state, to promote generally the interests of reforestation or for a specific named purpose in connection with reforestation, and to acquire in the name of the state, by purchase or gift, any lands which by reason of their location, topography, or geological formation, are chiefly valuable for purpose of developing and growing timber, and to

designate such lands and any lands of the same character belonging to the state as state forest lands; and may acquire by gift or purchase any lands of the same character.

(2) The department has the power to seed, plant, and develop forests on any lands, purchased, acquired, or designated by it as state forest lands, and shall furnish such care and fire protection for such lands as it shall deem advisable.

(3) Upon approval of the board of county commissioners of the county in which the land is located such gift or donation of land may be accepted subject to delinquent general taxes thereon, and upon such acceptance of such gift or donation subject to such taxes, the department shall record the deed of conveyance thereof and file with the assessor and treasurer of the county wherein such land is situated, written notice of acquisition of such land, and that all delinquent general taxes thereon, except state taxes, shall be canceled, and the county treasurer shall thereupon proceed to make such cancellation in the records of the county treasurer. ~~((Thereafter, such lands))~~

(4)(a) Lands acquired under this section shall be held in trust, protected, managed, and administered upon, and the proceeds therefrom disposed of, under RCW 79.22.040.

(b) During the 2011-2013 fiscal biennium, the legislature may appropriate moneys derived subject to this section from the forest development account consistent with RCW 79.64.100(4).

**Sec. 929.** RCW 79.22.040 and 2003 c 334 s 206 are each amended to read as follows:

(1) If any land acquired by a county through foreclosure of tax liens, or otherwise, comes within the classification of land described in RCW 79.22.010 and can be used as state forest land and if the department deems such land necessary for the purposes of this chapter, the county shall, upon demand by the department, deed such land to the department and the land shall become a part of the state forest lands.

(2) Such land shall be held in trust and administered and protected by the department in the same manner as other state forest lands.

(3)(a) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys derived subject to this section are the net proceeds from the contract harvesting sale.

(b) During the 2011-2013 fiscal biennium, the legislature may appropriate moneys derived subject to this section from the forest development account consistent with RCW 79.64.100(4).

**Sec. 930.** RCW 79.64.040 and 2011 1st sp.s. c 50 s 966 and 2011 c 216 s 16 are each reenacted and amended to read as follows:

(1) The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the moneys received from all leases, sales, contracts, licenses, permits, easements, and rights-of-way issued by the department and affecting state lands, community forest trust lands, and aquatic lands, provided that no deduction shall be made from the proceeds from agricultural college lands.

(2) Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section.

(3) Except as otherwise provided in subsections (4) and (6) of this section, the deductions authorized under this section shall not exceed twenty-five percent of the moneys received by the department in connection with any one transaction pertaining to state lands and aquatic lands other than second-class tide and shore lands and the beds of navigable waters, and fifty percent of the moneys received by the department pertaining to second-class tide and shore lands and the beds of navigable waters.

(4) Deductions authorized under this section for transactions pertaining to community forest trust lands must be established at a level sufficient to defray over time the management costs for

activities prescribed in a parcel's management plan adopted pursuant to RCW 79.155.080, and, if deemed appropriate by the board consistent with RCW 79.155.090, to reimburse the state and any local entities' eligible financial contributions for acquisition of the parcel.

(5) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received subject to this section are the net proceeds from the contract harvesting sale.

(6) During the ~~((2009-2011))~~ 2011-2013 fiscal biennium ~~((and fiscal year 2012))~~, the twenty-five percent limitation on deductions set in subsection (3) of this section may be increased up to thirty percent by the board.

**Sec. 931.** RCW 79.64.100 and 2003 c 334 s 219 are each amended to read as follows:

There is created a forest development account in the state treasury. The state treasurer shall keep an account of all sums deposited therein and expended or withdrawn therefrom. Any sums placed in the forest development account shall be pledged for the purpose of paying interest and principal on the bonds issued by the department under RCW 79.22.080 and 79.22.090 and the provisions of this chapter, and for the purchase of land for growing timber. Any bonds issued shall constitute a first and prior claim and lien against the account for the payment of principal and interest. No sums for the above purposes shall be withdrawn or paid out of the account except upon approval of the department.

Appropriations may be made by the legislature from the forest development account to the department for the purpose of carrying on the activities of the department on state forest lands, lands managed on a sustained yield basis as provided for in RCW 79.10.320, and for reimbursement of expenditures that have been made or may be made from the resource management cost account in the management of state forest lands. For the 2011-2013 fiscal biennium, moneys from the forest development account shall be distributed as directed in section 708 of this act to the beneficiaries of the revenues derived from state forest lands. During the 2011-2013 fiscal biennium, the legislature may appropriate moneys in the forest development account to support emergency fire suppression activities in a manner that, at a maximum, represents the proportion of land that the department manages in comparison to the total land the department conducts emergency fire suppression activities on.

**Sec. 932.** RCW 79.105.150 and 2011 2nd sp.s. c 9 s 911 are each amended to read as follows:

(1) After deduction for management costs as provided in RCW 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys received by the state from the sale or lease of state-owned aquatic lands and from the sale of valuable material from state-owned aquatic lands shall be deposited in the aquatic lands enhancement account which is hereby created in the state treasury. After appropriation, these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic lands for public purposes; for providing and improving access to the lands; and for volunteer cooperative fish and game projects. During the ~~((2009-2011 and))~~ 2011-2013 fiscal ~~((biennia))~~ biennium, the aquatic lands enhancement account may also be used for scientific research as part of the adaptive management process and for developing a planning report for McNeil Island. During the ~~((2009-2011 and))~~ 2011-2013 fiscal ~~((biennia))~~ biennium, the legislature may transfer from the aquatic lands enhancement account to the state general fund such amounts as reflect excess fund balance of the account. During the 2011-2013 fiscal biennium, the aquatic lands enhancement account may be used to support the shellfish program, the ballast water program, parks, hatcheries, and the Puget Sound toxic sampling program at the department of fish and wildlife, and the knotweed program at the department of agriculture.

(2) In providing grants for aquatic lands enhancement projects, the recreation and conservation funding board shall:

(a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications;

(b) Utilize the statement of environmental benefits, consideration, except as provided in RCW 79.105.610, of whether the applicant is a Puget Sound partner, as defined in RCW 90.71.010, whether a project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, and except as otherwise provided in RCW 79.105.630, and effective one calendar year following the development and statewide availability of model evergreen community management plans and ordinances under RCW 35.105.050, whether the applicant is an entity that has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030 in its prioritization and selection process; and

(c) Develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the grants.

(3) To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270.

(4) The department shall consult with affected interest groups in implementing this section.

(5) After January 1, 2010, any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

**Sec. 933.** RCW 79A.25.200 and 2007 c 241 s 53 are each amended to read as follows:

The recreation resource account is created in the state treasury. Moneys in this account are subject to legislative appropriation. The board shall administer the account in accordance with this chapter and chapter 79A.35 RCW and shall hold it separate and apart from all other money, funds, and accounts of the board. Moneys received from the marine fuel tax refund account under RCW 79A.25.070 shall be deposited into the account. Grants, gifts, or other financial assistance, proceeds received from public bodies as administrative cost contributions, and moneys made available to the state of Washington by the federal government for outdoor recreation may be deposited into the account. During the 2011-2013 fiscal biennia, the recreation resource account may be used by the department of fish and wildlife for the purposes of activities related to aquatic and marine enforcement.

**Sec. 934.** RCW 82.08.160 and 2011 1st sp.s. c 50 s 969 are each amended to read as follows:

(1) On or before the twenty-fifth day of each month, all taxes collected under RCW 82.08.150 during the preceding month must be remitted to the state department of revenue, to be deposited with the state treasurer. Except as provided in subsections (2) and (3) of this section, upon receipt of such moneys the state treasurer must credit sixty-five percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the sums collected and remitted under RCW 82.08.150 (3) and (4) to the state general fund and thirty-five percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby created to be known as the "liquor excise tax fund."

(2) During the ~~((2011-2013))~~ 2012 fiscal ~~((biennium))~~ year, 66.19 percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the state general fund and the remainder collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund.

(3) During the 2013 fiscal year, all of the funds collected under RCW 82.08.150 (1), (2), (3), and (4) must be deposited into the state general fund.

**Sec. 935.** RCW 86.26.007 and 2011 1st sp.s. c 50 s 976 are each amended to read as follows:

The flood control assistance account is hereby established in the state treasury. At the beginning of the 2005-2007 fiscal biennium, the state treasurer shall transfer three million dollars from the general fund to the flood control assistance account. Each biennium thereafter the state treasurer shall transfer four million dollars from the general fund to the flood control assistance account, except that during the ~~((2009-2011 and))~~ 2011-2013 fiscal ~~((biennia))~~ biennium, the state treasurer shall transfer ~~((two))~~ one million dollars from the general fund to the flood control assistance account. Moneys in the flood control assistance account may be spent only after appropriation for purposes specified under this chapter.

**Sec. 936.** RCW 90.48.390 and 2008 c 329 s 925 are each amended to read as follows:

The coastal protection fund is established to be used by the department as a revolving fund for carrying out the purposes of restoration of natural resources under this chapter and chapter 90.56 RCW. To this fund there shall be credited penalties, fees, damages, charges received pursuant to the provisions of this chapter and chapter 90.56 RCW, compensation for damages received under this chapter and chapter 90.56 RCW, and an amount equivalent to one cent per gallon from each marine use refund claim under RCW 82.36.330.

Moneys in the fund not needed currently to meet the obligations of the department in the exercise of its powers, duties, and functions under RCW 90.48.142, 90.48.366, 90.48.367, and 90.48.368 shall be deposited with the state treasurer to the credit of the fund. During the 2007-2009 fiscal biennium, the coastal protection fund may also be used for a standby rescue tug at Neah Bay. During the 2011-2013 fiscal biennium, the legislature may transfer from the coastal protection fund to the state general fund such amounts as reflect excess fund balance derived from penalties, forfeits, and seizures.

**Sec. 937.** 2010 c 23 s 205 (uncodified) is amended to read as follows:

(1) The legislature finds that this state's tax policy with respect to the taxation of transactions between affiliated entities and the income derived from such transactions (intercompany transactions) has motivated some taxpayers to engage in transactions designed solely or primarily to minimize the tax effects of intercompany transactions. The legislature further finds that some intercompany transactions result from taxpayers that are required to establish affiliated entities to comply with regulatory mandates and that transactions between such affiliates effectively increases the tax burden in this state on the affiliated group of entities.

(2) Therefore, as existing resources allow, the department of revenue is directed to conduct a review of the state's tax policy with respect to the taxation of intercompany transactions. The review must include the impacts of such transactions under the state's business and occupation tax and state and local sales and use taxes. The department may include other taxes in the review as it deems appropriate.

(3) In conducting the review, the department must examine how this state's tax policy compares to the tax policy of other states with respect to the taxation of intercompany transactions. The department's review must include an analysis of potential alternatives to the current policy of taxing intercompany transactions, including their estimated revenue impacts if practicable.

(4) In conducting this review, the department may seek input from members of the business community and others as it deems appropriate.

(5) The department must report its findings to the fiscal committees of the house of representatives and senate by December 1, 2010. However, if the department has not completed its review by December 1, 2010, the department must provide the fiscal committees of the legislature with a brief status report by December 1, 2010, and the final report by December 1, ~~((2011))~~ 2012.

**NEW SECTION. Sec. 938.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

It is the intent of the legislature that regulatory agencies receiving appropriations in this act work with the office of regulatory assistance to:

(1) Establish a small business liaison team to assist small businesses with permitting and regulatory issues.

(2) Take action to assure that additional violations or corrective actions that could have been discovered and noted in the original violation or correction notice are not subsequently added and to provide a single list of any violations discovered during the regulatory visit or inspection;

(3) Provide notice about when the business may expect the results of a technical assistance or regulatory visit;

(4) Provide information about how the business may provide anonymous feedback regarding a technical assistance or other regulatory visit; and

(5) Provide information regarding the role of the agency's small business liaison as a neutral party within the agency, as well as contact information for the liaison.

**NEW SECTION. Sec. 939.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

Chapter 50, Laws of 2011 1st sp. sess. (the biennial operating budget) included funding for the pension system cost of legislation adopted during the 2011 session of the legislature. No supplemental rates are authorized for funding that legislation during the remainder of the 2011-2013 fiscal biennium. Pension contribution rates for the public employees' retirement system, the public safety employees' retirement system, the school employees' retirement systems, and the teachers' retirement system are established.

(1) For the public employees' retirement system:

(a) Beginning April 1, 2012, an employer contribution rate of 7.08 percent shall be charged;

(b) Beginning July 1, 2012, an employer contribution rate of 7.21 percent shall be charged.

(2) For the public safety employees' retirement system:

(a) Beginning April 1, 2012, an employer contribution rate of 8.74 percent shall be charged;

(b) Beginning July 1, 2012, an employer contribution rate of 8.87 percent shall be charged.

(3) For the school employees' retirement system:

(a) Beginning April 1, 2012, an employer contribution rate of 7.58 percent shall be charged;

(b) Beginning September 1, 2012, an employer contribution rate of 7.59 percent shall be charged.

(4) For the teachers' retirement system:

(a) Beginning April 1, 2012, an employer contribution rate of 8.04 percent shall be charged; and

(b) Beginning September 21, 2012, an employer contribution rate of 8.05 percent shall be charged.

These rates are inclusive of a department of retirement systems expense charge of 0.16 percent. The department of retirement systems shall collect employee contributions as provided in chapter 41.45 RCW.

**NEW SECTION. Sec. 940.** 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. 941.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

(End of Bill)

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On page 1, line 1 of the title, after "matters;" strike the remainder of the title and insert "amending RCW 28B.15.067, 38.52.540, 43.07.129, 43.17.390, 43.30.720, 43.88.110, 43.320.110, 66.08.190, 74.08A.340, 74.48.090, 76.04.610, 77.12.201, 77.12.203, 77.12.210, 79.22.010, 79.22.040, 79.64.100, 79.105.150, 79A.25.200, 82.08.160, 86.26.007, and 90.48.390; amending 2011 2nd sp.s. c 9 ss 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 125, 128, 129, 130, 131, 126, 127, 132, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507, 508, 509, 510, 511, 513, 514, 515, 601, 602, 603, 604, 605, 606, 607, 608, 609, 612, 613, 614, 615, 616, 617, 701, 702, 703, and 801 (uncodified); amending 2011 1st sp.s. c 50 ss 103, 104, 106, 105, 108, 112, 115, 117, 120, 124, 128, 132, 133, 137, 136, 142, 147, 151, 149, 214, 516, 616, 714, 715, 801, 802, 803, 910, 920, 921, and 922 (uncodified); amending 2011 1st sp.s. c 7 s 11 (uncodified); amending 2010 c 23 s 205 (uncodified); reenacting and amending RCW 2.68.020, 70.105D.070, and 79.64.040; adding new sections to 2011 1st sp.s. c 50 (uncodified); repealing 2011 2nd sp.s. c 9 ss 610, 611, 707, 709, and 710 (uncodified); repealing 2011 1st sp.s. c 50 s 614 (uncodified); making appropriations; and declaring an emergency."

Representative Alexander moved the adoption of amendment (1369) to the striking amendment.

On page 23, line 32, decrease the general fund--state appropriation for fiscal year 2012 by \$9,101,000

On page 23, line 34, decrease the general fund--state appropriation for fiscal year 2012 by \$39,527,000

On page 25, line 5, correct the total.

On page 27, beginning on line 21, strike all of subsection (17)

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

On page 79, line 13, decrease the state general fund--appropriation for fiscal year 2012 by \$11,534,000

On page 79, line 20, correct the total

On page 79, line 23, after "~~(\$258,880,000)~~" strike "\$107,000,000" and insert "\$92,217,000"

On page 83, line 14, decrease the general fund--state appropriation for fiscal year 2012 by \$1,656,000

On page 83, line 16, decrease the general fund--state appropriation for fiscal year 2013 by \$10,581,000

On page 83, line 18, decrease the general fund--federal appropriation by \$11,696,000

On page 83, line 25, correct the total.

On page 83, line 35, after "eligible," insert "and"

On page 83, line 35, after "women" strike ", disability lifeline, and alcoholism and drug addiction treatment and support act, and medical care services"

On page 88, line 5, decrease the general fund--state appropriation for fiscal year 2012 by \$2,872,000

On page 88, line 7, decrease the general fund--state appropriation for fiscal year 2013 by \$38,085,000

On page 88, line 9, decrease the general fund--federal appropriation by \$44,122,000

On page 88, line 25, correct the total.

On page 156, line 37, increase the general fund--state appropriation for fiscal year 2013 by \$330,000,000

On page 157, line 4, correct the total

Beginning on page 168, beginning on line 7, strike all material through "each year." on page 169, line 9

On page 169, beginning on line 10, strike all of section 503.

Renumber remaining sections consecutively and correct title and internal references accordingly.

On page 112, line 36, decrease the general fund--state appropriation for fiscal year 2013 by \$16,703,000

On page 113, line 24, increase the state toxics account--state appropriation by \$16,703,000

On page 127, line 19, decrease the general fund--state appropriation for fiscal year 2012 by \$4,049,000

On page 127, line 21, decrease the general fund--state appropriation for fiscal year 2013 by \$4,049,000

On page 128, line 24, increase the state toxics control account--state appropriation by \$8,098,000

On page 143, line 20, decrease the general fund--state appropriation for fiscal year 2012 by \$2,511,000

On page 143, line 22, decrease the general fund--state appropriation by \$2,511,000

On page 143, line 30, increase the state toxics control account--state appropriation by \$5,022,000

On page 255, line 13, after "biennium," insert "the university of Washington's college of environment, Washington state university's college of agriculture, human, and natural resources, department of agriculture's plant protection program, and"

On page 196, line 1, decrease the general fund--state appropriation for fiscal year 2013 by \$5,000,000

On page 196, after line 2, insert the following:

"State Toxics Control Account--State Appropriation. . . . \$5,000,000"

On page 198, on line 1, decrease the general fund--state appropriation for fiscal year 2013 by \$5,000,000

On page 198, after line 2, insert the following:

"State Toxics Control Account--State Appropriation. . . \$5,000,000"

On page 228, line 8, after "43.79.465." insert "As a result, \$80,000,000 of anticipated reversions in fiscal year 2012 and \$80,000,000 of anticipated reversions in fiscal year 2013 are expected to remain in the state general fund."

On page 228, after line 11, insert the following:

"**NEW SECTION. Sec. 715.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--GOODS AND SERVICES**

General Fund--State Appropriation (FY 2012)	(\$1,644,000)
General Fund--State Appropriation (FY 2013)	(\$6,580,000)
<b>TOTAL APPROPRIATION</b>	<b>(\$8,224,000)</b>

The appropriations in this section are solely for the purposes designated in this section and are subject to the following conditions and limitations:

(1) Appropriations are adjusted to reflect savings associated with a 10 percent reduction in expenditures related to goods and services.

(2) The office of financial management shall update agency appropriation schedules to reflect the changes to funding levels in this section as identified by agency and in the amounts specified in LEAP Document HW2-2012 dated February 17, 2012.

(3) For agencies with appropriations from accounts other than the general fund--state, the office of financial management shall work with agencies to achieve potential savings in other accounts.

**NEW SECTION. Sec. 716.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRAVEL**

General Fund--State Appropriation (FY 2012)	(\$653,000)
General Fund--State Appropriation (FY 2013)	(\$2,616,000)
<b>TOTAL APPROPRIATION</b>	<b>(\$3,269,000)</b>

The appropriations in this section are solely for the purposes designated in this section and are subject to the following conditions and limitations:

(1) Appropriations are adjusted to reflect savings associated with a 20 percent reduction in expenditures related to travel.

(2) The office of financial management shall update agency appropriation schedules to reflect the changes to funding levels in this section as identified by the agency and in the amounts specified in LEAP Document TF1-2012 dated February 17, 2012.

(3) For agencies with appropriations from accounts other than the general fund--state, the office of financial management shall work with agencies to achieve potential savings in other accounts.

**NEW SECTION. Sec. 717.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--PERSONAL SERVICE CONTRACTS**

General Fund--State Appropriation (FY 2012)	(\$1,076,000)
General Fund--State Appropriation (FY 2013)	(\$4,311,000)
<b>TOTAL APPROPRIATION</b>	<b>(\$5,387,000)</b>

The appropriations in this section are solely for the purposes designated in this section and are subject to the following conditions and limitations:

(1) Appropriations are adjusted to reflect savings associated with a 20 percent reduction in expenditures related to personal service contracts.

(2) The office of financial management shall update agency appropriation schedules to reflect the changes to funding levels in this section as identified by agency and in the amounts specified in LEAP Document PSC-2012 dated February 17, 2012.

(3) For agencies with appropriations from accounts other than the general fund--state, the office of financial management shall work with agencies to achieve potential savings in other accounts.

**NEW SECTION. Sec. 718.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--EQUIPMENT**

General Fund--State Appropriation (FY 2012)	(\$1,526,000)
General Fund--State Appropriation (FY 2013)	(\$6,114,000)
<b>TOTAL APPROPRIATION</b>	<b>(\$7,640,000)</b>

The appropriations in this section are solely for the purposes designated in this section and are subject to the following conditions and limitations:

(1) Appropriations are adjusted to reflect savings associated with a 20 percent reduction in expenditures related to equipment.

(2) The office of financial management shall update agency appropriation schedules to reflect the changes to funding levels in this section as identified by agency and in the amounts specified in LEAP Document HW3-2012 dated February 17, 2012.

(3) For agencies with appropriations from accounts other than the general fund--state, the office of financial management shall work with agencies to achieve potential savings in other accounts.

**NEW SECTION. Sec. 719.** A new section is added to 2011 1st sp.s. c 50 (uncodified) to read as follows:

**FOR THE DEPARTMENT OF ENTERPRISE SERVICES--SALE OF THE PROPERTY**

The department of enterprise services shall sell the following state-owned properties by June 30, 2013, and shall deposit receipt from the sale into the state general fund: The Tacoma Rhodes building; the 600 Franklin street building; and the department of fish and wildlife administrative headquarters building.

**NEW SECTION. Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT-- STATE EMPLOYEES--TEMPORARY LAYOFFS**

General Fund--State Appropriation (FY 2013)	(\$34,196,000)
General Fund--Federal Appropriation	(\$11,014,000)
General Fund--Local Appropriation	(\$1,579,000)
Education Legacy Trust Account--State Appropriation (FY 2013)	(\$1,157,000)
Dedicated Funds and Accounts Appropriation	(\$9,433,000)
<b>TOTAL APPROPRIATION</b>	<b>(\$57,379,000)</b>

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

(1) The appropriations in this section are provided solely to reduce agency and institution appropriations in accordance with the schedules in LEAP Omnibus Document H-TL2 dated March 8, 2012, which is hereby incorporated by reference. The office of financial management shall allocate the moneys appropriated in this section in the amounts specified and adjust appropriation schedules accordingly. The office of financial management shall make any further allotment adjustments necessary to reflect agency mergers or consolidations assumed in this act.

(2) The appropriations in this section reflect savings as a result of temporary layoffs for state employees as provided in sections 901 and 902 of this act."

Correct the title.

On page 235, after line 16, insert the following:

"Local Toxics Control Account: For transfer to the state toxics control account, \$23,300,000 for fiscal year 2012 and \$23,300,000 for fiscal year 2013. . . . . \$46,600,000"

On page 236, after line 2, insert the following:

**"NEW SECTION. Sec. 901.** chapter 32, laws of 2010, 1st special session (uncodified) is amended to read as follows:

(1)(a) The office of financial management shall certify to each executive branch state agency and institution of higher education the compensation reduction amount to be achieved by that agency or institution. Each agency and institution shall achieve compensation

expenditure reductions as provided in the 2012 supplemental omnibus appropriations act.

(b) Each executive branch state agency other than institutions of higher education may submit to the office of financial management a compensation reduction plan to achieve the cost reductions as provided in the omnibus appropriations act. The compensation reduction plan of each executive branch agency may include, but is not limited to, employee leave without pay, including additional mandatory and voluntary temporary layoffs, reductions in the agency workforce, compensation reductions, and reduced work hours, as well as voluntary retirement, separation, and other incentive programs authorized by section ~~((912, chapter 564, Laws of 2009))~~905, chapter 50, Laws of 2011, 1st special session. ~~((The amount of compensation cost reductions to be achieved by each agency shall be adjusted to reflect voluntary and mandatory temporary layoffs at the agency during the 2009-2011 fiscal biennium and implemented prior to January 1, 2010, but not adjusted by other compensation reduction plans adopted as a result of the enactment of chapter 564, Laws of 2009, or the enactment of other compensation cost reduction measures applicable to the 2009-2011 fiscal biennium.))~~

(c) Each institution of higher education must submit to the office of financial management a compensation and operations reduction plan to achieve at least the cost reductions as provided in the 2012 supplemental omnibus appropriations act. For purposes of the reduction plan, the state board of community and technical colleges shall submit a single plan on behalf of all community and technical colleges. The reduction plan of each institution may include, but is not limited to, employee leave without pay, including mandatory and voluntary temporary layoffs, reductions in the institution workforce, compensation reductions, and reduced work hours, as well as voluntary retirement, separation, incentive programs authorized by section 912, chapter 564, Laws of 2009, as well as other reductions to the cost of operations. ~~((The amount of cost reductions to be achieved by each institution shall be adjusted to reflect voluntary and mandatory temporary layoffs at the institution during the 2009-2011 fiscal biennium and implemented prior to January 1, 2010, but not adjusted by other compensation reduction plans adopted as a result of the enactment of chapter 564, Laws of 2009, or the enactment of other compensation cost reduction measures applicable to the 2009-2011 fiscal biennium.))~~

(d) The director of financial management shall review, approve, and submit to the legislative fiscal committees those executive branch state agencies and higher education institution plans that achieves the cost reductions as provided in the omnibus appropriations act. For those executive branch state agencies and institutions of higher education that do not have an approved compensation and operations reduction plan, the institution shall be closed on the dates specified in subsection (2) of this section.

(e) For each agency of the legislative branch, the chief clerk of the house of representatives and the secretary of the senate shall review and approve a plan of employee mandatory and voluntary leave for the ~~((2009-2011))~~2011-13 fiscal biennium that achieves the cost reductions as provided in the supplemental omnibus appropriations act. ~~((The amount of compensation cost reductions to be achieved shall be adjusted, if necessary, to reflect voluntary and mandatory temporary layoffs at the agencies during the 2009-2011 fiscal biennium and implemented prior to January 1, 2010.))~~

(f) For each agency of the judicial branch, the supreme court shall review and approve a plan of employee mandatory and voluntary leave for the ~~((2009-2011))~~2011-13 fiscal biennium that achieve the cost reductions as provided in the omnibus appropriations act. ~~((The amount of compensation cost reductions to be achieved shall be adjusted, if necessary, to reflect voluntary and mandatory temporary layoffs at the agencies during the 2009-2011 fiscal biennium and implemented prior to January 1, 2010.))~~

(2) Each state agency of the executive, legislative, and judicial branch, and any institution that does not have an approved plan in accordance with subsection (1) of this section shall be closed on the following dates in addition to the legal holidays specified in RCW 1.16.050:

- (a) Monday, July 12, 2010;
- (b) Friday, August 6, 2010;
- (c) Tuesday, September 7, 2010;
- (d) Monday, October 11, 2010;
- (e) Monday, December 27, 2010;
- (f) Friday, January 28, 2011;
- (g) Tuesday, February 22, 2011;
- (h) Friday, March 11, 2011;
- (i) Friday, April 22, 2011;
- (j) Friday, June 10, 2011.
- (a) Friday, July 13, 2012;
- (b) Friday, August 10, 2012;
- (c) Friday, September 14, 2012;
- (d) Friday, October 12, 2012;
- (e) Friday, November 9, 2012;
- (f) Friday, December 7, 2012;
- (g) Monday, January 7, 2013;
- (h) Friday, February 8, 2013;
- (i) Friday, February 22, 2013;
- (j) Friday, March 22, 2013;
- (k) Friday, April 26, 2013;
- (l) Friday, May 10, 2013.

(3) If the closure of state agencies or institutions under subsection (2) of this section prevents the performance of any action, the action shall be considered timely if performed on the next business day.

(4) The following activities of state agencies and institutions of higher education are exempt from subsections (1) and (2) of this section:

(a) Direct custody, supervision, and patient care in: (i) Corrections; (ii) juvenile rehabilitation; (iii) institutional care of veterans, or individuals with mental illness, and individuals with developmental disabilities; (iv) state hospitals, the University of Washington medical center, and Harborview medical center; (v) the special commitment center; (vi) the school for the blind; (vii) the state center for childhood deafness and hearing loss; and (viii) the Washington youth academy;

(b) Direct protective services to children and other vulnerable populations, child support enforcement, disability determination services, complaint investigators, and residential care licensors and surveyors in the department of social and health services and the department of health;

(c) Washington state patrol investigative services and field enforcement;

(d) Hazardous materials response or emergency response and cleanup;

(e) Emergency public health and patient safety response and the public health laboratory;

(f) Military operations and emergency management within the military department;

(g) Firefighting;

(h) Enforcement officers in the department of fish and wildlife, the liquor control board, the gambling commission, the department of financial institutions, and the department of natural resources;

(i) State parks operated by the parks and recreation commission;

(j) In institutions of higher education, classroom instruction, operations not funded from state funds or tuition, campus police and security, emergency management and response, work performed by student employees if the duties were not previously assigned to nonstudents during the current or prior school year, and student health care;

(k) Operations of liquor control board business enterprises and games conducted by the state lottery;

(l) Agricultural commodity commissions and boards, and agricultural inspection programs operated by the department of agriculture;

(m) The unemployment insurance program and reemployment services of the employment security department;

(n) The workers' compensation program and workplace safety and health compliance activities of the department of labor and industries;

(o) The operation, maintenance, and construction of state ferries and state highways;

(p) The department of revenue;

(q) Licensing service offices in the department of licensing that are open no more than two days per week, and no licensing service office closures may occur on Saturdays as a result of this section;

(r) The governor, lieutenant governor, legislative agencies, and the office of financial management, during sessions of the legislature under Article II, section 12 of the state Constitution and the twenty-day veto period under Article IV, section 12 of the state Constitution;

(s) The office of the attorney general, except for management and administrative functions not directly related to civil, criminal, or administrative actions;

(t) The labor relations office of the office of financial management through November 1, ~~((2010))~~2012;

(u) The minimal use of state employees on the specified closure dates as necessary to protect public assets and information technology systems, and to maintain public safety; and

(v) The operations of the office of the insurance commissioner that are funded by industry regulatory fees.

(5)(a) The closure of an office of a state agency or institution of higher education under this section shall result in the temporary layoff of the employees of the agency or institution. The compensation of the employees shall be reduced proportionately to the duration of the temporary layoff. Temporary layoffs under this section shall not affect the employees' vacation leave accrual, seniority, health insurance, or sick leave credits. For the purposes of ~~((chapter 430, Laws of 2009))~~ chapter 5, Laws of 2011, 1st special session, the compensation reductions under this section are deemed to be an integral part of an employer's expenditure reduction efforts and shall not result in the loss of retirement benefits in any state defined benefit retirement plan for an employee whose period of average final compensation includes a portion of the period from the effective date of this section through ~~((June 30, 2011))~~ June 30, 2013.

(b)(i) During the closure of an office or institution under this section, any employee with a monthly full-time equivalent salary of two thousand five hundred dollars or less may, at the employee's option, use accrued vacation leave in lieu of temporary layoff during the closure. Solely for this purpose, and during the 2009-2011 fiscal biennium only, the department of personnel shall adopt rules to permit employees with less than six months of continuous state employment to use accrued vacation leave.

(ii) If an employee with a monthly full-time equivalent salary of two thousand five hundred dollars or less has no accrued vacation leave, that employee may use shared leave, if approved by the agency director, and if made available through donations under RCW 41.04.665 in lieu of temporary layoff during the closure.

(6) Except as provided in subsection (4) of this section, for employees not scheduled to work on a day specified in subsection (2) of this section, the employing agency must designate an alternative day during that month on which the employee is scheduled to work that the employee will take temporary leave without pay.

(7) To the extent that the implementation of this section is subject to collective bargaining under chapter 41.80 RCW, the bargaining shall be conducted pursuant to section 4 of this act. To the extent that the implementation of this section is subject to collective bargaining

under chapters 28B.52, 41.56, 41.76, or 47.64 RCW, the bargaining shall be conducted pursuant to these chapters.

(8) For all or a portion of the employees of an agency of the executive branch, the office of financial management may approve the substitution of temporary layoffs on an alternative date during that month for any date specified in subsection (2) of this section as necessary for the critical work of any agency.

NEW SECTION, Sec. 902. To the extent that the implementation of section 3 of this act is subject to collective bargaining:

(a) For institutions of higher education that have elected to have negotiations conducted by the governor or governor's designee in accordance with RCW 41.80.010(4), and that have an approved compensation reduction plan under section 901(1) of this act, negotiations regarding impacts of the compensation reduction plan shall be conducted between the governor or governor's designee and a coalition at each college, college district, or university of all of the exclusive bargaining representatives subject to chapter 41.80 RCW;

(b) For institutions of higher education that have elected to have negotiations conducted by the governor or governor's designee in accordance with RCW 41.80.010(4), and that do not have an approved compensation reduction plan under section 3(1) of this act, negotiations regarding impacts of the temporary layoffs under section 3(2) of this act shall be conducted between the governor or governor's designee and one coalition of all of the exclusive bargaining representatives subject to chapter 41.80 RCW;

(c) For institutions of higher education that have not elected to have negotiations conducted by the governor or governor's designee under RCW 41.80.010(4), negotiations regarding impacts of section 3 of this act shall be conducted between each institution of higher education and the exclusive bargaining representatives;

(d) For agencies that have an approved compensation reduction plan under section 3(1) of this act, negotiations regarding impacts of the compensation reduction plan shall be conducted between the governor or governor's designee and a coalition at each agency of all of the exclusive bargaining representatives subject to chapter 41.80 RCW; and

(e) For agencies that do not have an approved compensation reduction plan under section 901(1) of this act, negotiations regarding impacts of the temporary layoffs under section 901(2) of this act shall be conducted between the governor or governor's designee and the exclusive bargaining representatives subject to chapter 41.80 RCW."

Renumber remaining sections consecutively and correct title and internal references accordingly.

Representatives Alexander, DeBolt, Orcutt, Dammeier, Parker, Anderson, Klippert, Wilcox, Ross, Rodne and Bailey spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Hunter, Haigh, Cody and Sullivan spoke against the adoption of the amendment to the striking amendment.

#### POINT OF ORDER

Representative DeBolt "Thank you Mr. Speaker, as we debate this amendment I do respect her opinion because it is very important and germane to the passage of the next bill, we don't use the gimmick of apportionment in our bill so I don't think it's really relevant to debate the merits of apportionment to our bill because our bill actually does not have it in it."

#### SPEAKER'S RULING

Mr. Speaker: "Representative, the minority has raised the issue of apportionment so the representative was simply responding to your raising of the issue, so your point is not well taken."

An electronic roll call was requested.

### ROLL CALL

The Clerk called the roll on the adoption of amendment (1369) to the striking amendment, and the amendment was not adopted by the following vote: Yeas, 43; Nays, 55; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Eddy, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Voting nay: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Representative Hunter moved the adoption of amendment (1375) to the striking amendment.

On page 81, line 28, after "(1)" strike "and" and insert "(2), or"

On page 81, line 29, after "changes" insert "or to respond to federal law or regulation changes"

On page 81, line 30, beginning with "Amounts" strike all material through "section." on line 31

Representatives Hunter, Kagi and Alexander spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1375) was adopted.

Representative Hunter moved the adoption of amendment (1371) to the striking amendment.

On page 134, after line 12, insert the following:

"(6) The state parks and recreation commission, in cooperation with the Fort Worden lifelong learning center public development authority authorized under RCW 35.21.730, shall provide a report to the legislature no later than October 1, 2012, on a potential transfer or partial transfer of Fort Worden state park to the public development authority. The report shall include a business plan and supporting materials that provide information, options, and recommendations on matters related to the transfer including, but not limited to: The scope of the real and personal property to include in the transfer; the time frame for and duration of the transfer; the sustainability of park operations following the transfer, including sources of revenue, estimated revenue, as well as estimated annual operating and capital maintenance costs; potential risks and liability for the state, as well as potential mitigation measures; potential impacts on and transition plans for state employees; ensuring the sustainability of the park in perpetuity; and contingency plans to address significant funding or other park management challenges that may arise."

On page 183, line 25, after "~~(\$40,681,000)~~" strike "\$39,926,000" and insert "\$39,296,000"

On page 225, line 7, strike "maintenance" and insert "materials"

On page 235, strike all material on lines 2 through 4

On page 244, beginning on line 12, after "(a)" strike all material through "students" on line 21 and insert the following:

"Beginning with the 2011-12 academic year and through the end of the 2014-15 academic year, the governing boards of the state universities, the regional universities, and The Evergreen State College may reduce or increase full-time tuition fees for all students, including summer school students and students in other self-supporting degree programs. Percentage increases in full-time tuition fees may exceed the fiscal growth factor. Reductions or increases may be made for all or portions of an institution's programs, campuses, courses, or students; however, during the 2011-13 fiscal biennium, reductions or increases in tuition must be uniform among resident undergraduate students"

Representative Hunter spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (1371) was adopted.

Representative Hunter moved the adoption of amendment (1370) to the striking amendment.

On page 135, line 19, increase the general fund--state appropriation for fiscal year 2013 by \$665,000

On page 135, line 22, correct the total.

Representative Hunter spoke in favor of the adoption of the amendment to the striking amendment.

Representative Alexander spoke against the adoption of the amendment to the striking amendment.

Amendment (1370) was adopted.

With the consent of the house, amendments (1363), (1365) and (1368) to the striking amendment were withdrawn.

Representative Hunter spoke in favor of the adoption of the striking amendment as amended.

Amendment (1344) was adopted as amended.

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 Hunter, Darneille, Seaquist and Green spoke in favor of the passage of the bill.

Representatives Alexander, Nealey, Orcutt, Taylor and Miloscia spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5967, as amended by the House.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5967, as amended by the House, and the bill passed the House by the following vote: Yeas, 53; Nays, 45; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Roberts, Ryu,

Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Eddy, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Miloscia, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

ENGROSSED SENATE BILL NO. 5967, as amended by the House, having received the necessary constitutional majority, was declared passed.

#### POINT OF PERSONAL PRIVILEGE

Representative Hunter: "Thank you Mr. Speaker. The document that we have just adopted, for those of you who have read it, is actually kinda thick and a lot of work goes into producing it and those of you who spend hours and hours in the Ways and Means committee see the quality of the work that goes into this project. That work does not just magically appear and contrary to popular opinion, the good gentlemen from the 20<sup>th</sup> and I don't actually do that work. The work is done by our OPR staff Can we have them come out for a minute? I think we have some staff in the wings, can we have you come out and be recognized.

Mr. Speaker "Please come out and be recognized"

Representative Hunter: "This is our secret weapon. It's our secret weapon in the war with the other chamber. These folks are smart and dedicated and work unbelievable hours and produce immense quality work and come up with brilliant ideas that make your head hurt. They are wonderful people really, we could not do without them. Thank you very much, thank you for your work."

#### POINT OF PERSONAL PRIVILEGE

Representative Alexander: "Thank you Mr. Speaker the good gentlemen from the 48<sup>th</sup> District and I disagree on a few issues, but we don't disagree on this issue, we have a wonderful staff and I am always amazed because every year it seems like the talent even gets brighter and sharper and more responsive. In this particular year Mr. Speaker as you know we put a double responsibility on them not only to produce on budget but to produce two budgets. They did that with all the esteem and with all the commitment regardless of what party was requesting. So on behalf of House Republicans we thank you very much for everything you do."

#### SPEAKER'S PRIVILEGE

The Speaker (Representative Moeller presiding) "On behalf of all the members of this house I would like to thank and express our sincere thank you to every member of this committee. Thank you so much."

The Speaker (Representative Moeller presiding) called upon Representative Orwall to preside.

#### SECOND READING

**SENATE BILL NO. 5950, by Senators Roach and Conway**

**Regulating nonstate pension plans offered by towns.**

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Ways & Means was adopted. (For Committee amendment, see Journal, Day 60, March 7, 2012).

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 Dahlquist and Darneille spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5950, as amended by the House.

#### ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5950, as amended by the House, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Armstrong and Condotta.

SENATE BILL NO. 5950, as amended by the House, having received the necessary constitutional majority, was declared passed.

#### THIRD READING

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 2443 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 2.28.175 and 2011 c 293 s 10 are each amended to read as follows:

(1) Counties may establish and operate DUI courts. Municipalities may enter into cooperative agreements with counties that have DUI courts to provide DUI court services.

(2) For the purposes of this section, "DUI court" means a court that has special calendars or dockets designed to achieve a reduction in recidivism of impaired driving among nonviolent, alcohol abusing offenders, whether adult or juvenile, by increasing their likelihood for successful rehabilitation through early, continuous, and intense judicially supervised treatment; mandatory periodic testing for alcohol use and, if applicable, drug use; and the use of appropriate sanctions and other rehabilitation services.

(3)(a) Any jurisdiction that seeks a state appropriation to fund a DUI court program must first:

(i) Exhaust all federal funding that is available to support the operations of its DUI court and associated services; and

(ii) Match, on a dollar-for-dollar basis, state moneys allocated for DUI court programs with local cash or in-kind resources. Moneys allocated by the state must be used to supplement, not supplant, other federal, state, and local funds for DUI court operations and associated services. However, until June 30, 2014, no match is required for state moneys expended for the administrative and overhead costs associated with the operation of a DUI court established as of January 1, 2011.

(b) Any ~~(county)~~ jurisdiction that establishes a DUI court pursuant to this section shall establish minimum requirements for the participation of offenders in the program. The DUI court may adopt local requirements that are more stringent than the minimum. The minimum requirements are:

(i) The offender would benefit from alcohol treatment;

(ii) The offender has not previously been convicted of a serious violent offense or sex offense as defined in RCW 9.94A.030, vehicular homicide under RCW 46.61.520, vehicular assault under RCW 46.61.522, or an equivalent out-of-state offense; and

(iii) Without regard to whether proof of any of these elements is required to convict, the offender is not currently charged with or convicted of an offense:

(A) That is a sex offense;

(B) That is a serious violent offense;

(C) That is vehicular homicide or vehicular assault;

(D) During which the defendant used a firearm; or

(E) During which the defendant caused substantial or great bodily harm or death to another person.

**Sec. 2.** RCW 9.94A.475 and 2002 c 290 s 15 are each amended to read as follows:

Any and all recommended sentencing agreements or plea agreements and the sentences for any and all felony crimes shall be made and retained as public records if the felony crime involves:

(1) Any violent offense as defined in this chapter;

(2) Any most serious offense as defined in this chapter;

(3) Any felony with a deadly weapon special verdict under RCW ~~(9.94A.602)~~ 9.94A.825;

(4) Any felony with any deadly weapon enhancements under RCW 9.94A.533 (3) or (4), or both; ~~(and/or)~~

(5) The felony crimes of possession of a machine gun, possessing a stolen firearm, drive-by shooting, theft of a firearm, unlawful possession of a firearm in the first or second degree, and/or use of a machine gun in a felony; \_\_\_\_\_ or

(6) The felony crime of driving a motor vehicle while under the influence of intoxicating liquor or any drug as defined in RCW 46.61.502, and felony physical control of a motor vehicle while under the influence of intoxicating liquor or any drug as defined in RCW 46.61.504.

**Sec. 3.** RCW 9.94A.640 and 2006 c 73 s 8 are each amended to read as follows:

(1) Every offender who has been discharged under RCW 9.94A.637 may apply to the sentencing court for a vacation of the offender's record of conviction. If the court finds the offender meets the tests prescribed in subsection (2) of this section, the court may clear the record of conviction by: (a) Permitting the offender to withdraw the offender's plea of guilty and to enter a plea of not guilty; or (b) if the offender has been convicted after a plea of not guilty, by the court setting aside the verdict of guilty; and (c) by the court dismissing the information or indictment against the offender.

(2) An offender may not have the record of conviction cleared if: (a) There are any criminal charges against the offender pending in any court of this state or another state, or in any federal court; (b) the offense was a violent offense as defined in RCW 9.94A.030; (c) the

offense was a crime against persons as defined in RCW 43.43.830; (d) the offender has been convicted of a new crime in this state, another state, or federal court since the date of the offender's discharge under RCW 9.94A.637; (e) the offense is a class B felony and less than ten years have passed since the date the applicant was discharged under RCW 9.94A.637; (f) the offense was a class C felony, other than a class C felony described in RCW 46.61.502(6) or 46.61.504(6), and less than five years have passed since the date the applicant was discharged under RCW 9.94A.637; or (g) the offense was a class C felony described in RCW 46.61.502(6) or 46.61.504(6) ~~((and less than ten years have passed since the applicant was discharged under RCW 9.94A.637)).~~

(3) Once the court vacates a record of conviction under subsection (1) of this section, the fact that the offender has been convicted of the offense shall not be included in the offender's criminal history for purposes of determining a sentence in any subsequent conviction, and the offender shall be released from all penalties and disabilities resulting from the offense. For all purposes, including responding to questions on employment applications, an offender whose conviction has been vacated may state that the offender has never been convicted of that crime. Nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

**Sec. 4.** RCW 9.95.210 and 2011 1st sp.s. c 40 s 7 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection in granting probation, the superior court may suspend the imposition or the execution of the sentence and may direct that the suspension may continue upon such conditions and for such time as it shall designate, not exceeding the maximum term of sentence or two years, whichever is longer.

(b) For a defendant sentenced under RCW 46.61.5055, the superior court may suspend the imposition or the execution of the sentence and may direct that the suspension continue upon such conditions and for such time as the court shall designate, not to exceed five years. The court shall have continuing jurisdiction and authority to suspend the execution of all or any part of the sentence upon stated terms, including installment payment of fines. A defendant who has been sentenced, and who then fails to appear for any hearing to address the defendant's compliance with the terms of probation when ordered to do so by the court shall have the term of probation tolled until such time as the defendant makes his or her presence known to the court on the record. Any time before entering an order terminating probation, the court may modify or revoke its order suspending the imposition or execution of the sentence if the defendant violates or fails to carry out any of the conditions of the suspended sentence.

(2) In the order granting probation and as a condition thereof, the superior court may in its discretion imprison the defendant in the county jail for a period not exceeding one year and may fine the defendant any sum not exceeding the statutory limit for the offense committed, and court costs. As a condition of probation, the superior court shall require the payment of the penalty assessment required by RCW 7.68.035. The superior court may also require the defendant to make such monetary payments, on such terms as it deems appropriate under the circumstances, as are necessary: (a) To comply with any order of the court for the payment of family support; (b) to make restitution to any person or persons who may have suffered loss or damage by reason of the commission of the crime in question or when the offender pleads guilty to a lesser offense or fewer offenses and agrees with the prosecutor's recommendation that the offender be required to pay restitution to a victim of an offense or offenses which are not prosecuted pursuant to a plea agreement; (c) to pay such fine as may be imposed and court costs, including reimbursement of the state for costs of extradition if return to this state by extradition was required; (d) following consideration of the financial condition of the person subject to possible electronic monitoring, to pay for the costs

of electronic monitoring if that monitoring was required by the court as a condition of release from custody or as a condition of probation; (e) to contribute to a county or interlocal drug fund; and (f) to make restitution to a public agency for the costs of an emergency response under RCW 38.52.430, and may require bonds for the faithful observance of any and all conditions imposed in the probation.

(3) The superior court shall order restitution in all cases where the victim is entitled to benefits under the crime victims' compensation act, chapter 7.68 RCW. If the superior court does not order restitution and the victim of the crime has been determined to be entitled to benefits under the crime victims' compensation act, the department of labor and industries, as administrator of the crime victims' compensation program, may petition the superior court within one year of imposition of the sentence for entry of a restitution order. Upon receipt of a petition from the department of labor and industries, the superior court shall hold a restitution hearing and shall enter a restitution order.

(4) In granting probation, the superior court may order the probationer to report to the secretary of corrections or such officer as the secretary may designate and as a condition of the probation to follow the instructions of the secretary. If the county legislative authority has elected to assume responsibility for the supervision of superior court misdemeanor probationers within its jurisdiction, the superior court misdemeanor probationer shall report to a probation officer employed or contracted for by the county. In cases where a superior court misdemeanor probationer is sentenced in one county, but resides within another county, there must be provisions for the probationer to report to the agency having supervision responsibility for the probationer's county of residence.

(5) If the probationer has been ordered to make restitution and the superior court has ordered supervision, the officer supervising the probationer shall make a reasonable effort to ascertain whether restitution has been made. If the superior court has ordered supervision and restitution has not been made as ordered, the officer shall inform the prosecutor of that violation of the terms of probation not less than three months prior to the termination of the probation period. The secretary of corrections will promulgate rules and regulations for the conduct of the person during the term of probation. For defendants found guilty in district court, like functions as the secretary performs in regard to probation may be performed by probation officers employed for that purpose by the county legislative authority of the county wherein the court is located.

(6) The provisions of RCW 9.94A.501 and 9.94A.5011 apply to sentences imposed under this section.

**Sec. 5.** RCW 9.96.060 and 2001 c 140 s 1 are each amended to read as follows:

(1) Every person convicted of a misdemeanor or gross misdemeanor offense who has completed all of the terms of the sentence for the misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the tests prescribed in subsection (2) of this section, the court may in its discretion vacate the record of conviction by: (a)(i) Permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or (ii) if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and (b) the court dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

(2) An applicant may not have the record of conviction for a misdemeanor or gross misdemeanor offense vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court;

(b) The offense was a violent offense as defined in RCW 9.94A.030 or an attempt to commit a violent offense;

(c) The offense was a violation of RCW 46.61.502 (driving while under the influence), 46.61.504 (actual physical control while under the influence), (~~9.91.020~~) 9.91.020 (operating a railroad, etc. while intoxicated), or the offense is considered a "prior offense" under RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug violation within ten years of the date of arrest for the prior offense;

(d) The offense was any misdemeanor or gross misdemeanor violation, including attempt, of chapter 9.68 RCW (obscenity and pornography), chapter 9.68A RCW (sexual exploitation of children), or chapter 9A.44 RCW (sex offenses);

(e) The applicant was convicted of a misdemeanor or gross misdemeanor offense as defined in RCW 10.99.020, or the court determines after a review of the court file that the offense was committed by one family member or household member against another, or the court, after considering the damage to person or property that resulted in the conviction, any prior convictions for crimes defined in RCW 10.99.020, or for comparable offenses in another state or in federal court, and the totality of the records under review by the court regarding the conviction being considered for vacation, determines that the offense involved domestic violence, and any one of the following factors exist:

(i) The applicant has not provided written notification of the vacation petition to the prosecuting attorney's office that prosecuted the offense for which vacation is sought, or has not provided that notification to the court;

(ii) The applicant has previously had a conviction for domestic violence. For purposes of this subsection, however, if the current application is for more than one conviction that arose out of a single incident, none of those convictions counts as a previous conviction;

(iii) The applicant has signed an affidavit under penalty of perjury affirming that the applicant has not previously had a conviction for a domestic violence offense, and a criminal history check reveals that the applicant has had such a conviction; or

(iv) Less than five years have elapsed since the person completed the terms of the original conditions of the sentence, including any financial obligations and successful completion of any treatment ordered as a condition of sentencing;

(f) For any offense other than those described in (e) of this subsection, less than three years have passed since the person completed the terms of the sentence, including any financial obligations;

(g) The offender has been convicted of a new crime in this state, another state, or federal court since the date of conviction;

(h) The applicant has ever had the record of another conviction vacated; or

(i) The applicant is currently restrained, or has been restrained within five years prior to the vacation application, by a domestic violence protection order, a no-contact order, an antiharassment order, or a civil restraining order which restrains one party from contacting the other party.

(3) Once the court vacates a record of conviction under subsection (1) of this section, the person shall be released from all penalties and disabilities resulting from the offense and the fact that the person has been convicted of the offense shall not be included in the person's criminal history for purposes of determining a sentence in any subsequent conviction. For all purposes, including responding to questions on employment or housing applications, a person whose conviction has been vacated under subsection (1) of this section may state that he or she has never been convicted of that crime. Nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

(4) All costs incurred by the court and probation services shall be paid by the person making the motion to vacate the record unless a determination is made pursuant to chapter 10.101 RCW that the

person making the motion is indigent, at the time the motion is brought.

(5) The clerk of the court in which the vacation order is entered shall immediately transmit the order vacating the conviction to the Washington state patrol identification section and to the local police agency, if any, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol and any such local police agency shall immediately update their records to reflect the vacation of the conviction, and shall transmit the order vacating the conviction to the federal bureau of investigation. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies.

**Sec. 6.** RCW 38.52.430 and 1993 c 251 s 2 are each amended to read as follows:

A person whose intoxication causes an incident resulting in an appropriate emergency response, and who, in connection with the incident, has been found guilty of or has had their prosecution deferred for (1) driving while under the influence of intoxicating liquor or any drug, RCW 46.61.502; (2) operating an aircraft under the influence of intoxicants or drugs, RCW 47.68.220; (3) use of a vessel while under the influence of alcohol or drugs, RCW ((88.42.100)) 79A.60.040; (4) vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a); or (5) vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b), is liable for the expense of an emergency response by a public agency to the incident.

The expense of an emergency response is a charge against the person liable for expenses under this section. The charge constitutes a debt of that person and is collectible by the public agency incurring those costs in the same manner as in the case of an obligation under a contract, expressed or implied. Following a conviction of an offense listed in this section, and prior to sentencing, the prosecution may present to the court information setting forth the expenses incurred by the public agency for its emergency response to the incident. Upon a finding by the court that the expenses are reasonable, the court shall order the defendant to reimburse the public agency. The cost reimbursement shall be included in the sentencing order as an additional monetary obligation of the defendant and may not be substituted for any other fine or cost required or allowed by statute. The court may establish a payment schedule for the payment of the cost reimbursement, separate from any payment schedule imposed for other fines and costs.

In no event shall a person's liability under this section for the expense of an emergency response exceed ~~((one))~~ two thousand five hundred dollars for a particular incident.

If more than one public agency makes a claim for payment from an individual for an emergency response to a single incident under the provisions of this section, and the sum of the claims exceeds the amount recovered, the division of the amount recovered shall be determined by an interlocal agreement consistent with the requirements of chapter 39.34 RCW.

**Sec. 7.** RCW 46.20.308 and 2008 c 282 s 2 are each amended to read as follows:

(1) Any person who operates a motor vehicle within this state is deemed to have given consent, subject to the provisions of RCW 46.61.506, to a test or tests of his or her breath or blood for the purpose of determining the alcohol concentration or presence of any drug in his or her breath or blood if arrested for any offense where, at the time of the arrest, the arresting officer has reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle while under the influence of intoxicating liquor or any drug or was in violation of RCW 46.61.503. Neither consent nor this section precludes a police officer from obtaining a search warrant for a person's breath or blood.

(2) The test or tests of breath shall be administered at the direction of a law enforcement officer having reasonable grounds to believe the person to have been driving or in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or the person to have been driving or in actual physical control of a motor vehicle while having alcohol in a concentration in violation of RCW 46.61.503 in his or her system and being under the age of twenty-one. However, in those instances where the person is incapable due to physical injury, physical incapacity, or other physical limitation, of providing a breath sample or where the person is being treated in a hospital, clinic, doctor's office, emergency medical vehicle, ambulance, or other similar facility or where the officer has reasonable grounds to believe that the person is under the influence of a drug, a blood test shall be administered by a qualified person as provided in RCW 46.61.506(5). The officer shall inform the person of his or her right to refuse the breath or blood test, and of his or her right to have additional tests administered by any qualified person of his or her choosing as provided in RCW 46.61.506. The officer shall warn the driver, in substantially the following language, that:

(a) If the driver refuses to take the test, the driver's license, permit, or privilege to drive will be revoked or denied for at least one year; and

(b) If the driver refuses to take the test, the driver's refusal to take the test may be used in a criminal trial; and

(c) If the driver submits to the test and the test is administered, the driver's license, permit, or privilege to drive will be suspended, revoked, or denied for at least ninety days if the driver is age twenty-one or over and the test indicates the alcohol concentration of the driver's breath or blood is 0.08 or more, or if the driver is under age twenty-one and the test indicates the alcohol concentration of the driver's breath or blood is 0.02 or more, or if the driver is under age twenty-one and the driver is in violation of RCW 46.61.502 or 46.61.504; and

(d) If the driver's license, permit, or privilege to drive is suspended, revoked, or denied the driver may be eligible to immediately apply for an ignition interlock driver's license.

(3) Except as provided in this section, the test administered shall be of the breath only. If an individual is unconscious or is under arrest for the crime of felony driving under the influence of intoxicating liquor or drugs under RCW 46.61.502(6), felony physical control of a motor vehicle while under the influence of intoxicating liquor or any drug under RCW 46.61.504(6), vehicular homicide as provided in RCW 46.61.520, or vehicular assault as provided in RCW 46.61.522, or if an individual is under arrest for the crime of driving while under the influence of intoxicating liquor or drugs as provided in RCW 46.61.502, which arrest results from an accident in which there has been serious bodily injury to another person, a breath or blood test may be administered without the consent of the individual so arrested.

(4) Any person who is dead, unconscious, or who is otherwise in a condition rendering him or her incapable of refusal, shall be deemed not to have withdrawn the consent provided by subsection (1) of this section and the test or tests may be administered, subject to the provisions of RCW 46.61.506, and the person shall be deemed to have received the warnings required under subsection (2) of this section.

(5) If, following his or her arrest and receipt of warnings under subsection (2) of this section, the person arrested refuses upon the request of a law enforcement officer to submit to a test or tests of his or her breath or blood, no test shall be given except as authorized under subsection (3) or (4) of this section.

(6) If, after arrest and after the other applicable conditions and requirements of this section have been satisfied, a test or tests of the person's blood or breath is administered and the test results indicate that the alcohol concentration of the person's breath or blood is 0.08

or more if the person is age twenty-one or over, or 0.02 or more if the person is under the age of twenty-one, or the person refuses to submit to a test, the arresting officer or other law enforcement officer at whose direction any test has been given, or the department, where applicable, if the arrest results in a test of the person's blood, shall:

(a) Serve notice in writing on the person on behalf of the department of its intention to suspend, revoke, or deny the person's license, permit, or privilege to drive as required by subsection (7) of this section;

(b) Serve notice in writing on the person on behalf of the department of his or her right to a hearing, specifying the steps he or she must take to obtain a hearing as provided by subsection (8) of this section and that the person waives the right to a hearing if he or she receives an ignition interlock driver's license;

(c) Mark the person's Washington state driver's license or permit to drive, if any, in a manner authorized by the department;

(d) Serve notice in writing that the marked license or permit, if any, is a temporary license that is valid for sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or until the suspension, revocation, or denial of the person's license, permit, or privilege to drive is sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first. No temporary license is valid to any greater degree than the license or permit that it replaces; and

(e) Immediately notify the department of the arrest and transmit to the department within seventy-two hours, except as delayed as the result of a blood test, a sworn report or report under a declaration authorized by RCW 9A.72.085 that states:

(i) That the officer had reasonable grounds to believe the arrested person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or was under the age of twenty-one years and had been driving or was in actual physical control of a motor vehicle while having an alcohol concentration in violation of RCW 46.61.503;

(ii) That after receipt of the warnings required by subsection (2) of this section the person refused to submit to a test of his or her blood or breath, or a test was administered and the results indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person is age twenty-one or over, or was 0.02 or more if the person is under the age of twenty-one; and

(iii) Any other information that the director may require by rule.

(7) The department of licensing, upon the receipt of a sworn report or report under a declaration authorized by RCW 9A.72.085 under subsection (6)(e) of this section, shall suspend, revoke, or deny the person's license, permit, or privilege to drive or any nonresident operating privilege, as provided in RCW 46.20.3101, such suspension, revocation, or denial to be effective beginning sixty days from the date of arrest or from the date notice has been given in the event notice is given by the department following a blood test, or when sustained at a hearing pursuant to subsection (8) of this section, whichever occurs first.

(8) A person receiving notification under subsection (6)(b) of this section may, within twenty days after the notice has been given, request in writing a formal hearing before the department. The person shall pay a fee of two hundred dollars as part of the request. If the request is mailed, it must be postmarked within twenty days after receipt of the notification. Upon timely receipt of such a request for a formal hearing, including receipt of the required two hundred dollar fee, the department shall afford the person an opportunity for a hearing. The department may waive the required two hundred dollar fee if the person is an indigent as defined in RCW 10.101.010. Except as otherwise provided in this section, the hearing is subject to and shall be scheduled and conducted in accordance with RCW 46.20.329 and 46.20.332. The hearing shall be conducted in the county of the arrest, except that all or part of the hearing may, at the

discretion of the department, be conducted by telephone or other electronic means. The hearing shall be held within sixty days following the arrest or following the date notice has been given in the event notice is given by the department following a blood test, unless otherwise agreed to by the department and the person, in which case the action by the department shall be stayed, and any valid temporary license marked under subsection (6)(c) of this section extended, if the person is otherwise eligible for licensing. For the purposes of this section, the scope of the hearing shall cover the issues of whether a law enforcement officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or any drug or had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more if the person was under the age of twenty-one, whether the person was placed under arrest, and (a) whether the person refused to submit to the test or tests upon request of the officer after having been informed that such refusal would result in the revocation of the person's license, permit, or privilege to drive, or (b) if a test or tests were administered, whether the applicable requirements of this section were satisfied before the administration of the test or tests, whether the person submitted to the test or tests, or whether a test was administered without express consent as permitted under this section, and whether the test or tests indicated that the alcohol concentration of the person's breath or blood was 0.08 or more if the person was age twenty-one or over at the time of the arrest, or 0.02 or more if the person was under the age of twenty-one at the time of the arrest. The sworn report or report under a declaration authorized by RCW 9A.72.085 submitted by a law enforcement officer is prima facie evidence that the officer had reasonable grounds to believe the person had been driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drugs, or both, or the person had been driving or was in actual physical control of a motor vehicle within this state while having alcohol in his or her system in a concentration of 0.02 or more and was under the age of twenty-one and that the officer complied with the requirements of this section.

A hearing officer shall conduct the hearing, may issue subpoenas for the attendance of witnesses and the production of documents, and shall administer oaths to witnesses. The hearing officer shall not issue a subpoena for the attendance of a witness at the request of the person unless the request is accompanied by the fee required by RCW 5.56.010 for a witness in district court. The sworn report or report under a declaration authorized by RCW 9A.72.085 of the law enforcement officer and any other evidence accompanying the report shall be admissible without further evidentiary foundation and the certifications authorized by the criminal rules for courts of limited jurisdiction shall be admissible without further evidentiary foundation. The person may be represented by counsel, may question witnesses, may present evidence, and may testify. The department shall order that the suspension, revocation, or denial either be rescinded or sustained.

(9) If the suspension, revocation, or denial is sustained after such a hearing, the person whose license, privilege, or permit is suspended, revoked, or denied has the right to file a petition in the superior court of the county of arrest to review the final order of revocation by the department in the same manner as an appeal from a decision of a court of limited jurisdiction. Notice of appeal must be filed within thirty days after the date the final order is served or the right to appeal is waived. Notwithstanding RCW 46.20.334, RALJ 1.1, or other statutes or rules referencing de novo review, the appeal shall be limited to a review of the record of the administrative hearing. The appellant must pay the costs associated with obtaining the record of the hearing before the hearing officer. The filing of the appeal does not stay the effective date of the suspension, revocation, or denial. A petition filed under this subsection must include the petitioner's

grounds for requesting review. Upon granting petitioner's request for review, the court shall review the department's final order of suspension, revocation, or denial as expeditiously as possible. The review must be limited to a determination of whether the department has committed any errors of law. The superior court shall accept those factual determinations supported by substantial evidence in the record: (a) That were expressly made by the department; or (b) that may reasonably be inferred from the final order of the department. The superior court may reverse, affirm, or modify the decision of the department or remand the case back to the department for further proceedings. The decision of the superior court must be in writing and filed in the clerk's office with the other papers in the case. The court shall state the reasons for the decision. If judicial relief is sought for a stay or other temporary remedy from the department's action, the court shall not grant such relief unless the court finds that the appellant is likely to prevail in the appeal and that without a stay the appellant will suffer irreparable injury. If the court stays the suspension, revocation, or denial it may impose conditions on such stay.

(10)(a) If a person whose driver's license, permit, or privilege to drive has been or will be suspended, revoked, or denied under subsection (7) of this section, other than as a result of a breath or blood test refusal, and who has not committed an offense for which he or she was granted a deferred prosecution under chapter 10.05 RCW, petitions a court for a deferred prosecution on criminal charges arising out of the arrest for which action has been or will be taken under subsection (7) of this section, or notifies the department of licensing of the intent to seek such a deferred prosecution, then the license suspension or revocation shall be stayed pending entry of the deferred prosecution. The stay shall not be longer than one hundred fifty days after the date charges are filed, or two years after the date of the arrest, whichever time period is shorter. If the court stays the suspension, revocation, or denial, it may impose conditions on such stay. If the person is otherwise eligible for licensing, the department shall issue a temporary license, or extend any valid temporary license marked under subsection (6) of this section, for the period of the stay. If a deferred prosecution treatment plan is not recommended in the report made under RCW 10.05.050, or if treatment is rejected by the court, or if the person declines to accept an offered treatment plan, or if the person violates any condition imposed by the court, then the court shall immediately direct the department to cancel the stay and any temporary marked license or extension of a temporary license issued under this subsection.

(b) A suspension, revocation, or denial imposed under this section, other than as a result of a breath or blood test refusal, shall be stayed if the person is accepted for deferred prosecution as provided in chapter 10.05 RCW for the incident upon which the suspension, revocation, or denial is based. If the deferred prosecution is terminated, the stay shall be lifted and the suspension, revocation, or denial reinstated. If the deferred prosecution is completed, the stay shall be lifted and the suspension, revocation, or denial canceled.

(c) The provisions of (b) of this subsection relating to a stay of a suspension, revocation, or denial and the cancellation of any suspension, revocation, or denial do not apply to the suspension, revocation, denial, or disqualification of a person's commercial driver's license or privilege to operate a commercial motor vehicle.

(11) When it has been finally determined under the procedures of this section that a nonresident's privilege to operate a motor vehicle in this state has been suspended, revoked, or denied, the department shall give information in writing of the action taken to the motor vehicle administrator of the state of the person's residence and of any state in which he or she has a license.

**Sec. 8.** RCW 46.20.385 and 2011 c 293 s 1 are each amended to read as follows:

(1)(a) Beginning January 1, 2009, any person licensed under this chapter who is convicted of a violation of RCW 46.61.502 or

46.61.504 or an equivalent local or out-of-state statute or ordinance, or a violation of RCW 46.61.520(1)(a) or 46.61.522(1)(b), or who has had or will have his or her license suspended, revoked, or denied under RCW 46.20.3101, or who is otherwise permitted under subsection (8) of this section, may submit to the department an application for an ignition interlock driver's license. The department, upon receipt of the prescribed fee and upon determining that the petitioner is eligible to receive the license, may issue an ignition interlock driver's license.

(b) A person may apply for an ignition interlock driver's license anytime, including immediately after receiving the notices under RCW 46.20.308 or after his or her license is suspended, revoked, or denied. A person receiving an ignition interlock driver's license waives his or her right to a hearing or appeal under RCW 46.20.308.

(c) An applicant under this subsection shall provide proof to the satisfaction of the department that a functioning ignition interlock device has been installed on all vehicles operated by the person.

(i) The department shall require the person to maintain the device on all vehicles operated by the person and shall restrict the person to operating only vehicles equipped with the device, for the remainder of the period of suspension, revocation, or denial. The installation of an ignition interlock device is not necessary on vehicles owned, leased, or rented by a person's employer and on those vehicles whose care and/or maintenance is the temporary responsibility of the employer, and driven at the direction of a person's employer as a requirement of employment during working hours. The person must provide the department with a declaration pursuant to RCW 9A.72.085 from his or her employer stating that the person's employment requires the person to operate a vehicle owned by the employer or other persons during working hours. However, when the employer's vehicle is assigned exclusively to the restricted driver and used solely for commuting to and from employment, the employer exemption does not apply.

(ii) Subject to any periodic renewal requirements established by the department under this section and subject to any applicable compliance requirements under this chapter or other law, an ignition interlock driver's license granted upon a suspension or revocation under RCW 46.61.5055 or 46.20.3101 extends through the remaining portion of any concurrent or consecutive suspension or revocation that may be imposed as the result of administrative action and criminal conviction arising out of the same incident.

(iii) The time period during which the person is licensed under this section shall apply on a day-for-day basis toward satisfying the period of time the ignition interlock device restriction is required under RCW 46.20.720 and 46.61.5055. Beginning with incidents occurring on or after September 1, 2011, when calculating the period of time for the restriction under RCW 46.20.720(3), the department must also give the person a day-for-day credit for the time period, beginning from the date of the incident, during which the person kept an ignition interlock device installed on all vehicles the person operates. For the purposes of this subsection (1)(c)(iii), the term "all vehicles" does not include vehicles that would be subject to the employer exception under RCW 46.20.720(3).

(2) An applicant for an ignition interlock driver's license who qualifies under subsection (1) of this section is eligible to receive a license only if the applicant files satisfactory proof of financial responsibility under chapter 46.29 RCW.

(3) Upon receipt of evidence that a holder of an ignition interlock driver's license granted under this subsection no longer has a functioning ignition interlock device installed on all vehicles operated by the driver, the director shall give written notice by first-class mail to the driver that the ignition interlock driver's license shall be canceled. If at any time before the cancellation goes into effect the driver submits evidence that a functioning ignition interlock device has been installed on all vehicles operated by the driver, the cancellation shall be stayed. If the cancellation becomes effective, the

driver may obtain, at no additional charge, a new ignition interlock driver's license upon submittal of evidence that a functioning ignition interlock device has been installed on all vehicles operated by the driver.

(4) A person aggrieved by the decision of the department on the application for an ignition interlock driver's license may request a hearing as provided by rule of the department.

(5) The director shall cancel an ignition interlock driver's license after receiving notice that the holder thereof has been convicted of operating a motor vehicle in violation of its restrictions, no longer meets the eligibility requirements, or has been convicted of or found to have committed a separate offense or any other act or omission that under this chapter would warrant suspension or revocation of a regular driver's license. The department must give notice of the cancellation as provided under RCW 46.20.245. A person whose ignition interlock driver's license has been canceled under this section may reapply for a new ignition interlock driver's license if he or she is otherwise qualified under this section and pays the fee required under RCW 46.20.380.

(6)(a) Unless costs are waived by the ignition interlock company or the person is indigent under RCW 10.101.010, the applicant shall pay the cost of installing, removing, and leasing the ignition interlock device and shall pay an additional fee of twenty dollars per month. Payments shall be made directly to the ignition interlock company. The company shall remit the additional twenty dollar fee to the department.

(b) The department shall deposit the proceeds of the twenty dollar fee into the ignition interlock device revolving account. Expenditures from the account may be used only to administer and operate the ignition interlock device revolving account program. The department shall adopt rules to provide monetary assistance according to greatest need and when funds are available.

(7) The department shall adopt rules to implement ignition interlock licensing. The department shall consult with the administrative office of the courts, the state patrol, the Washington association of sheriffs and police chiefs, ignition interlock companies, and any other organization or entity the department deems appropriate.

(8)(a) Any person licensed under this chapter who is convicted of a violation of RCW 46.61.500 when the charge was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, may submit to the department an application for an ignition interlock driver's license under this section.

(b) A person who does not have any driver's license under this chapter, but who would otherwise be eligible under this section to apply for an ignition interlock license, may submit to the department an application for an ignition interlock license. The department may require the person to take any driver's licensing examination under chapter 46.20 RCW and may require the person to also apply and qualify for a temporary restricted driver's license under RCW 46.20.391.

**Sec. 9.** RCW 46.20.720 and 2011 c 293 s 6 are each amended to read as follows:

(1) The court may order that after a period of suspension, revocation, or denial of driving privileges, and for up to as long as the court has jurisdiction, any person convicted of any offense involving the use, consumption, or possession of alcohol while operating a motor vehicle may drive only a motor vehicle equipped with a functioning ignition interlock. The court shall establish a specific calibration setting at which the interlock will prevent the vehicle from being started. The court shall also establish the period of time for which interlock use will be required.

(2) Under RCW 46.61.5055 and subject to the exceptions listed in that statute, the court shall order any person convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to ~~(apply for an ignition interlock driver's license from the department~~

~~under RCW 46.20.385 and to have))~~ comply with the rules and requirements of the department regarding the installation and use of a functioning ignition interlock device installed on all motor vehicles operated by the person. The court shall order any person participating in a deferred prosecution program under RCW 10.05.020 for a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to have a functioning ignition interlock device installed on all motor vehicles operated by the person.

(3) The department shall require that, after any applicable period of suspension, revocation, or denial of driving privileges, a person may drive only a motor vehicle equipped with a functioning ignition interlock device if the person is convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local or out-of-state statute or ordinance. The department shall require that a person may drive only a motor vehicle equipped with a functioning ignition interlock device if the person is convicted of a violation of RCW 46.61.5249 or 46.61.500 and is required under RCW 46.61.5249(4) or 46.61.500(3) (a) or (b) to install an ignition interlock device on all vehicles operated by the person.

The department may waive the requirement for the use of such a device if it concludes that such devices are not reasonably available in the local area. The installation of an ignition interlock device is not necessary on vehicles owned, leased, or rented by a person's employer and on those vehicles whose care and/or maintenance is the temporary responsibility of the employer, and driven at the direction of a person's employer as a requirement of employment during working hours. The person must provide the department with a declaration pursuant to RCW 9A.72.085 from his or her employer stating that the person's employment requires the person to operate a vehicle owned by the employer or other persons during working hours. However, when the employer's vehicle is assigned exclusively to the restricted driver and used solely for commuting to and from employment, the employer exemption does not apply.

The ignition interlock device shall be calibrated to prevent the motor vehicle from being started when the breath sample provided has an alcohol concentration of 0.025 or more. Subject to the provisions of subsections (4) and (5) of this section, the period of time of the restriction will be no less than:

(a) For a person who has not previously been restricted under this section, a period of one year;

(b) For a person who has previously been restricted under (a) of this subsection, a period of five years;

(c) For a person who has previously been restricted under (b) of this subsection, a period of ten years.

(4) A restriction imposed under subsection (3) of this section shall remain in effect until the department receives a declaration from the person's ignition interlock device vendor, in a form provided or approved by the department, certifying that there have been none of the following incidents in the four consecutive months prior to the date of release:

(a) An attempt to start the vehicle with a breath alcohol concentration of 0.04 or more;

(b) Failure to take or pass any required retest; or

(c) Failure of the person to appear at the ignition interlock device vendor when required for maintenance, repair, calibration, monitoring, inspection, or replacement of the device.

(5) For a person required to install an ignition interlock device pursuant to RCW 46.61.5249(4) or 46.61.500(3), the period of time of the restriction shall be for six months and shall be subject to subsection (4) of this section.

(6) In addition to any other costs associated with the use of an ignition interlock device imposed on the person restricted under this section, the person shall pay an additional fee of twenty dollars per month. Payments must be made directly to the ignition interlock company. The company shall remit the additional twenty dollar fee to the

department to be deposited into the ignition interlock device revolving account.

**Sec. 10.** RCW 46.20.745 and 2008 c 282 s 10 are each amended to read as follows:

(1) The ignition interlock device revolving account program is created within the department to assist in covering the monetary costs of installing, removing, and leasing an ignition interlock device, and applicable licensing, for indigent persons who are required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an ignition interlock device in all vehicles owned or operated by the person. For purposes of this subsection, "indigent" has the same meaning as in RCW 10.101.010, as determined by the department.

(2) A pilot program is created within the ignition interlock device revolving account program for the purpose of monitoring compliance by persons required to use ignition interlock devices and by ignition interlock companies and vendors.

(3) The department, the state patrol, and the Washington traffic safety commission shall coordinate to establish a compliance pilot program that will target at least one county from eastern Washington and one county from western Washington, as determined by the department, state patrol, and Washington traffic safety commission.

(4) At a minimum, the compliance pilot program shall:

(a) Review the number of ignition interlock devices that are required to be installed in the targeted county and the number of ignition interlock devices actually installed;

(b) Work to identify those persons who are not complying with ignition interlock requirements or are repeatedly violating ignition interlock requirements; and

(c) Identify ways to track compliance and reduce noncompliance.

(5) As part of monitoring compliance, the Washington traffic safety commission shall also track recidivism for violations of RCW 46.61.502 and 46.61.504 by persons required to have an ignition interlock driver's license under RCW 46.20.385 and 46.20.720.

**Sec. 11.** RCW 46.61.500 and 2011 c 293 s 4 and 2011 c 96 s 34 are each reenacted and amended to read as follows:

(1) Any person who drives any vehicle in willful or wanton disregard for the safety of persons or property is guilty of reckless driving. Violation of the provisions of this section is a gross misdemeanor punishable by imprisonment for up to three hundred sixty- four days and by a fine of not more than five thousand dollars.

(2)(a) Subject to (b) of this subsection, the license or permit to drive or any nonresident privilege of any person convicted of reckless driving shall be suspended by the department for not less than thirty days.

(b) When a reckless driving conviction is a result of a charge that was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, the department shall grant credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under an administrative action arising out of the same incident. During any period of suspension, revocation, or denial due to a conviction for reckless driving as the result of a charge originally filed as a violation of RCW 46.61.502 or 46.61.504, any person who has obtained an ignition interlock driver's license under RCW 46.20.385 may continue to drive a motor vehicle pursuant to the provision of the ignition interlock driver's license without obtaining a separate temporary restricted driver's license under RCW 46.20.391.

(3)(a) Except as provided under (b) of this subsection, a person convicted of reckless driving who has one or more prior offenses as defined in RCW 46.61.5055(14) within seven years shall be required, under RCW 46.20.720, to install an ignition interlock device on all vehicles operated by the person if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.502, 46.61.504, or an equivalent local ordinance.

(b) A person convicted of reckless driving shall be required, under RCW 46.20.720, to install an ignition interlock device on all vehicles operated by the person if the conviction is the result of a

charge that was originally filed as a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug or RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug.

**Sec. 12.** RCW 46.61.5055 and 2011 c 293 s 7 and 2011 c 96 s 35 are each reenacted and amended to read as follows:

(1) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has no prior offense within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one day nor more than three hundred sixty-four days. Twenty-four consecutive hours of the imprisonment may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(a)(i), the court may order not less than fifteen days of electronic home monitoring. The offender shall pay the cost of electronic home monitoring. The county or municipality in which the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device to include an alcohol detection breathalyzer, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than three hundred fifty dollars nor more than five thousand dollars. Three hundred fifty dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than two days nor more than three hundred sixty-four days. Two consecutive days of the imprisonment may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(b)(i), the court may order not less than thirty days of electronic home monitoring. The offender shall pay the cost of electronic home monitoring. The county or municipality in which the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device to include an alcohol detection breathalyzer, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(2) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has one prior offense within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than thirty days nor more than three hundred sixty-four days and sixty days of electronic home monitoring. In lieu of the mandatory minimum term of sixty days electronic home monitoring, the court may order at least an additional four days in jail. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Thirty days of imprisonment and sixty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than forty-five days nor more than three hundred sixty-four days and ninety days of electronic home monitoring. In lieu of the mandatory minimum term of ninety days electronic home monitoring, the court may order at least an additional six days in jail. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Forty-five days of imprisonment and ninety days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than seven hundred fifty dollars nor more than five thousand dollars. Seven hundred fifty dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(3) Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has two or three prior offenses within seven years shall be punished as follows:

(a) In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than ninety days nor more than three hundred sixty-four days and one hundred twenty days of electronic home monitoring. In lieu of the mandatory minimum term of one hundred twenty days of electronic home monitoring, the court may order at least an additional eight days in jail. The offender shall pay for the cost of the electronic monitoring. The county or

municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Ninety days of imprisonment and one hundred twenty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than one thousand dollars nor more than five thousand dollars. One thousand dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent; or

(b) In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one hundred twenty days nor more than three hundred sixty-four days and one hundred fifty days of electronic home monitoring. In lieu of the mandatory minimum term of one hundred fifty days of electronic home monitoring, the court may order at least an additional ten days in jail. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. One hundred twenty days of imprisonment and one hundred fifty days of electronic home monitoring may not be suspended or deferred unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended or deferred, the court shall state in writing the reason for granting the suspension or deferral and the facts upon which the suspension or deferral is based; and

(ii) By a fine of not less than one thousand five hundred dollars nor more than five thousand dollars. One thousand five hundred dollars of the fine may not be suspended or deferred unless the court finds the offender to be indigent.

(4) A person who is convicted of a violation of RCW 46.61.502 or 46.61.504 shall be punished under chapter 9.94A RCW if:

- (a) The person has four or more prior offenses within ten years; or
- (b) The person has ever previously been convicted of:

(i) A violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(ii) A violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or

- (iv) A violation of RCW 46.61.502(6) or 46.61.504(6).

(5)(a) The court shall require any person convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to ~~((apply for an ignition interlock driver's license from the department and to have))~~ comply with the rules and requirements of the department regarding the installation and use of a functioning ignition interlock device installed on all motor vehicles operated by the person.

(b) ((The installation of an ignition interlock device is not necessary on vehicles owned, leased, or rented by a person's employer and on those vehicles whose care and/or maintenance is the temporary responsibility of the employer, and driven at the direction

of a person's employer as a requirement of employment during working hours. The person must provide the department with a declaration pursuant to RCW 9A.72.085 from his or her employer stating that the person's employment requires the person to operate a vehicle owned by the employer or other persons during working hours.

(c) An ignition interlock device imposed under this section shall be calibrated to prevent a motor vehicle from being started when the breath sample provided has an alcohol concentration of 0.025 or more.

(d) The court may waive the requirement that a person apply for an ignition interlock driver's license if the court makes a specific finding in writing that:

(i) The person lives out-of-state and the devices are not reasonably available in the person's local area;

(ii) The person does not operate a vehicle; or

(iii) The person is not eligible to receive an ignition interlock driver's license under RCW 46.20.385 because the person is not a resident of Washington, is a habitual traffic offender, has already applied for or is already in possession of an ignition interlock driver's license, has never had a driver's license, has been certified under chapter 74.20A RCW as noncompliant with a child support order, or is subject to any other condition or circumstance that makes the person ineligible to obtain an ignition interlock driver's license.

(e) If a court finds that a person is not eligible to receive an ignition interlock driver's license under this section, the court is not required to make any further subsequent inquiry or determination as to the person's eligibility.

(f)) If the court orders that a person refrain from consuming any alcohol ((and requires the person to apply for an ignition interlock driver's license, and the person states that he or she does not operate a motor vehicle or the person is ineligible to obtain an ignition interlock driver's license)), the court ((shall) may order the person to submit to alcohol monitoring through an alcohol detection breathalyzer device, transdermal sensor device, or other technology designed to detect alcohol in a person's system. ((Alcohol monitoring ordered under this subsection must be for the period of the mandatory license suspension or revocation.)) The person shall pay for the cost of the monitoring, unless the court specifies that the cost of monitoring will be paid with funds that are available from an alternative source identified by the court. The county or municipality where the penalty is being imposed shall determine the cost.

((g) The period of time for which ignition interlock use is required will be as follows:

(i) For a person who has not previously been restricted under this section, a period of one year;

(ii) For a person who has previously been restricted under (g)(i) of this subsection, a period of five years;

(iii) For a person who has previously been restricted under (g)(ii) of this subsection, a period of ten years.

(h) Beginning with incidents occurring on or after September 1, 2011, when calculating the period of time for the restriction under RCW 46.20.720(3), the department must also give the person a day-for-day credit for the time period, beginning from the date of the incident, during which the person kept an ignition interlock device installed on all vehicles the person operates. For the purposes of this subsection (5)(h), the term "all vehicles" does not include vehicles that would be subject to the employer exception under RCW 46.20.720(3).))

(6) If a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 committed the offense while a passenger under the age of sixteen was in the vehicle, the court shall:

(a) In any case in which the installation and use of an interlock or other device is not mandatory under RCW 46.20.720 or other law, order the use of such a device for not less than sixty days following

the restoration of the person's license, permit, or nonresident driving privileges; and

(b) In any case in which the installation and use of such a device is otherwise mandatory, order the use of such a device for an additional sixty days.

(7) In exercising its discretion in setting penalties within the limits allowed by this section, the court shall particularly consider the following:

(a) Whether the person's driving at the time of the offense was responsible for injury or damage to another or another's property; and

(b) Whether at the time of the offense the person was driving or in physical control of a vehicle with one or more passengers.

(8) An offender punishable under this section is subject to the alcohol assessment and treatment provisions of RCW 46.61.5056.

(9) The license, permit, or nonresident privilege of a person convicted of driving or being in physical control of a motor vehicle while under the influence of intoxicating liquor or drugs must:

(a) If the person's alcohol concentration was less than 0.15, or if for reasons other than the person's refusal to take a test offered under RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) Where there has been no prior offense within seven years, be suspended or denied by the department for ninety days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for two years; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for three years;

(b) If the person's alcohol concentration was at least 0.15:

(i) Where there has been no prior offense within seven years, be revoked or denied by the department for one year;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for nine hundred days; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for four years; or

(c) If by reason of the person's refusal to take a test offered under RCW 46.20.308, there is no test result indicating the person's alcohol concentration:

(i) Where there have been no prior offenses within seven years, be revoked or denied by the department for two years;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for three years; or

(iii) Where there have been two or more previous offenses within seven years, be revoked or denied by the department for four years.

The department shall grant credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under this subsection for a suspension, revocation, or denial imposed under RCW 46.20.3101 arising out of the same incident.

For purposes of this subsection (9), the department shall refer to the driver's record maintained under RCW 46.52.120 when determining the existence of prior offenses.

(10) After expiration of any period of suspension, revocation, or denial of the offender's license, permit, or privilege to drive required by this section, the department shall place the offender's driving privilege in probationary status pursuant to RCW 46.20.355.

(11)(a) In addition to any nonsuspendable and nondeferrable jail sentence required by this section, whenever the court imposes up to three hundred sixty-four days in jail, the court shall also suspend but shall not defer a period of confinement for a period not exceeding five years. The court shall impose conditions of probation that include: (i) Not driving a motor vehicle within this state without a valid license to drive and proof of financial responsibility for the future; (ii) not driving a motor vehicle within this state while having an alcohol concentration of 0.08 or more within two hours after driving; and (iii) not refusing to submit to a test of his or her breath or blood to determine alcohol concentration upon request of a law enforcement officer who has reasonable grounds to believe the person was driving

or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor. The court may impose conditions of probation that include nonrepetition, installation of an ignition interlock device on the probationer's motor vehicle, alcohol or drug treatment, supervised probation, or other conditions that may be appropriate. The sentence may be imposed in whole or in part upon violation of a condition of probation during the suspension period.

(b) For each violation of mandatory conditions of probation under (a)(i), (ii), or (iii) of this subsection, the court shall order the convicted person to be confined for thirty days, which shall not be suspended or deferred.

(c) For each incident involving a violation of a mandatory condition of probation imposed under this subsection, the license, permit, or privilege to drive of the person shall be suspended by the court for thirty days or, if such license, permit, or privilege to drive already is suspended, revoked, or denied at the time the finding of probation violation is made, the suspension, revocation, or denial then in effect shall be extended by thirty days. The court shall notify the department of any suspension, revocation, or denial or any extension of a suspension, revocation, or denial imposed under this subsection.

(12) A court may waive the electronic home monitoring requirements of this chapter when:

(a) The offender does not have a dwelling, telephone service, or any other necessity to operate an electronic home monitoring system;

(b) The offender does not reside in the state of Washington; or

(c) The court determines that there is reason to believe that the offender would violate the conditions of the electronic home monitoring penalty.

Whenever the mandatory minimum term of electronic home monitoring is waived, the court shall state in writing the reason for granting the waiver and the facts upon which the waiver is based, and shall impose an alternative sentence with similar punitive consequences. The alternative sentence may include, but is not limited to, additional jail time, work crew, or work camp.

Whenever the combination of jail time and electronic home monitoring or alternative sentence would exceed three hundred sixty-four days, the offender shall serve the jail portion of the sentence first, and the electronic home monitoring or alternative portion of the sentence shall be reduced so that the combination does not exceed three hundred sixty-four days.

(13) An offender serving a sentence under this section, whether or not a mandatory minimum term has expired, may be granted an extraordinary medical placement by the jail administrator subject to the standards and limitations set forth in RCW 9.94A.728(3).

(14) For purposes of this section and RCW 46.61.502 and 46.61.504:

(a) A "prior offense" means any of the following:

(i) A conviction for a violation of RCW 46.61.502 or an equivalent local ordinance;

(ii) A conviction for a violation of RCW 46.61.504 or an equivalent local ordinance;

(iii) A conviction for a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.520 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(iv) A conviction for a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.522 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(v) A conviction for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050 or an equivalent local ordinance, if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(vi) An out-of-state conviction for a violation that would have been a violation of (a)(i), (ii), (iii), (iv), or (v) of this subsection if committed in this state;

(vii) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.502, 46.61.504, or an equivalent local ordinance; ~~((viii))~~

(viii) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.5249, or an equivalent local ordinance, if the charge under which the deferred prosecution was granted was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522; or

(ix) A deferred prosecution granted in another state for a violation of driving or having physical control of a vehicle while under the influence of intoxicating liquor or any drug if the out-of-state deferred prosecution is equivalent to the deferred prosecution under chapter 10.05 RCW, including a requirement that the defendant participate in a chemical dependency treatment program;

If a deferred prosecution is revoked based on a subsequent conviction for an offense listed in this subsection (14)(a), the subsequent conviction shall not be treated as a prior offense of the revoked deferred prosecution for the purposes of sentencing;

(b) "Within seven years" means that the arrest for a prior offense occurred within seven years before or after the arrest for the current offense; and

(c) "Within ten years" means that the arrest for a prior offense occurred within ten years before or after the arrest for the current offense.

**Sec. 13.** RCW 46.61.5249 and 2011 c 293 s 5 are each amended to read as follows:

(1)(a) A person is guilty of negligent driving in the first degree if he or she operates a motor vehicle in a manner that is both negligent and endangers or is likely to endanger any person or property, and exhibits the effects of having consumed liquor or an illegal drug or exhibits the effects of having inhaled or ingested any chemical, whether or not a legal substance, for its intoxicating or hallucinatory effects.

(b) It is an affirmative defense to negligent driving in the first degree by means of exhibiting the effects of having consumed an illegal drug that must be proved by the defendant by a preponderance of the evidence, that the driver has a valid prescription for the drug consumed, and has been consuming it according to the prescription directions and warnings.

(c) Negligent driving in the first degree is a misdemeanor.

(2) For the purposes of this section:

(a) "Negligent" means the failure to exercise ordinary care, and is the doing of some act that a reasonably careful person would not do under the same or similar circumstances or the failure to do something that a reasonably careful person would do under the same or similar circumstances.

(b) "Exhibiting the effects of having consumed liquor" means that a person has the odor of liquor on his or her breath, or that by speech, manner, appearance, behavior, lack of coordination, or otherwise exhibits that he or she has consumed liquor, and either:

(i) Is in possession of or in close proximity to a container that has or recently had liquor in it; or

(ii) Is shown by other evidence to have recently consumed liquor.

(c) "Exhibiting the effects of having consumed an illegal drug" means that a person by speech, manner, appearance, behavior, lack of coordination, or otherwise exhibits that he or she has consumed an illegal drug and either:

(i) Is in possession of an illegal drug; or  
 (ii) Is shown by other evidence to have recently consumed an illegal drug.

(d) "Exhibiting the effects of having inhaled or ingested any chemical, whether or not a legal substance, for its intoxicating or hallucinatory effects" means that a person by speech, manner, appearance, behavior, or lack of coordination or otherwise exhibits that he or she has inhaled or ingested a chemical and either:

(i) Is in possession of the canister or container from which the chemical came; or  
 (ii) Is shown by other evidence to have recently inhaled or ingested a chemical for its intoxicating or hallucinatory effects.

(e) "Illegal drug" means a controlled substance under chapter 69.50 RCW for which the driver does not have a valid prescription or that is not being consumed in accordance with the prescription directions and warnings, or a legend drug under chapter 69.41 RCW for which the driver does not have a valid prescription or that is not being consumed in accordance with the prescription directions and warnings.

(3) Any act prohibited by this section that also constitutes a crime under any other law of this state may be the basis of prosecution under such other law notwithstanding that it may also be the basis for prosecution under this section.

(4) A person convicted of negligent driving in the first degree who has one or more prior offenses as defined in RCW 46.61.5055(14) within seven years shall be required, under RCW 46.20.720, to install an ignition interlock device on all vehicles operated by the person.

**Sec. 14.** RCW 46.61.540 and 1975 1st ex.s. c 287 s 5 are each amended to read as follows:

The word "drugs", as used in RCW 46.61.500 through 46.61.535, shall include but not be limited to those drugs and substances regulated by chapters 69.41 and 69.50 RCW and any chemical inhaled or ingested for its intoxicating or hallucinatory effects.

**NEW SECTION. Sec. 15.** A new section is added to chapter 43.43 RCW to read as follows:

(1) As part of the state patrol's authority to provide standards for certification, installation, repair, maintenance, monitoring, inspection, and removal of ignition interlock devices, the state patrol shall by rule establish a fee schedule and collect fees from ignition interlock manufacturers, technicians, providers, and persons required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an ignition interlock device in all vehicles owned or operated by the person. At a minimum, the fees must be set at a level necessary to support effective performance of the duties identified in this section. The state patrol must report back to the transportation committees of the legislature and the office of financial management by December 1st of each year on the level of the fees that have been adopted and whether those fees are sufficient to cover the cost of performing the duties listed in this section.

(2) Fees collected under this section must be deposited into the highway safety account to be used solely to fund the Washington state patrol impaired driving section projects.

**Sec. 16.** RCW 43.43.395 and 2010 c 268 s 2 are each amended to read as follows:

(1) The state patrol shall by rule provide standards for the certification, installation, repair, maintenance, monitoring, inspection, and removal of ignition interlock devices, as defined under RCW 46.04.215, and equipment as outlined under this section, and may inspect the records and equipment of manufacturers and vendors during regular business hours for compliance with statutes and rules and may suspend or revoke certification for any noncompliance. The state patrol may only inspect ignition interlock devices in the vehicles of customers for proper installation and functioning when installation is being done at the vendors' place of business.

(2)(a) When a certified service provider or individual installer of ignition interlock devices is found to be out of compliance, the installation privileges of that certified service provider or individual installer may be suspended or revoked until the certified service provider or individual installer comes into compliance. During any suspension or revocation period, the certified service provider or individual installer is responsible for notifying affected customers of any changes in their service agreement.

(b) A certified service provider or individual installer whose certification is suspended or revoked for noncompliance has a right to an administrative hearing under chapter 34.05 RCW to contest the suspension or revocation, or both. For the administrative hearing, the procedure and rules of evidence are as specified in chapter 34.05 RCW, except as otherwise provided in this chapter. Any request for an administrative hearing must be made in writing and must be received by the state patrol within twenty days after the receipt of the notice of suspension or revocation.

(3)(a) An ignition interlock device must employ fuel cell technology. For the purposes of this subsection, "fuel cell technology" consists of the following electrochemical method: An electrolyte designed to oxidize the alcohol and release electrons to be collected by an active electrode; a current flow is generated within the electrode proportional to the amount of alcohol oxidized on the fuel cell surface; and the electrical current is measured and reported as breath alcohol concentration. Fuel cell technology is highly specific for alcohols.

(b) When reasonably available in the area, as determined by the state patrol, an ignition interlock device must employ technology capable of taking a photo identification of the user giving the breath sample and recording on the photo the time the breath sample was given.

(c) To be certified, an ignition interlock device must:

(i) Meet or exceed the minimum test standards according to rules adopted by the state patrol. Only a notarized statement from a laboratory that is certified by the international organization of standardization and is capable of performing the tests specified will be accepted as proof of meeting or exceeding the standards. The notarized statement must include the name and signature of the person in charge of the tests under the following statement:

"Two samples of (model name), manufactured by (manufacturer) were tested by (laboratory) certified by the International Organization of Standardization. They do meet or exceed all specifications listed in the Federal Register, Volume 71, Number 31 (57 FR 11772), Breath Alcohol Ignition Interlock Devices (BAIID), NHTSA 2005-23470."; and

(ii) Be maintained in accordance with the rules and standards adopted by the state patrol.

**NEW SECTION. Sec. 17.** This act takes effect August 1, 2012."

On page 1, line 2 of the title, after "impaired;" strike the remainder of the title and insert "amending RCW 2.28.175, 9.94A.475, 9.94A.640, 9.95.210, 9.96.060, 38.52.430, 46.20.308, 46.20.385, 46.20.720, 46.20.745, 46.61.5249, 46.61.540, and 43.43.395; reenacting and amending RCW 46.61.500 and 46.61.5055; adding a new section to chapter 43.43 RCW; prescribing penalties; and providing an effective date."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 2443 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representatives Goodman and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 2443, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Second Substitute House Bill No. 2443, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

SECOND SUBSTITUTE HOUSE BILL NO. 2443, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

**MESSAGE FROM THE SENATE**

March 8, 2012

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 2509 with the following amendment:

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** A new section is added to chapter 49.17 RCW to read as follows:

The blueprint for safety program is established. The goal of the program is to improve safety for employees and lower costs for employers by assisting those employers for which the traditional safety and health model has not been effective. The department shall design the program to promote management and labor leadership in safety and health as essential for long-term success. The criteria for participation may include, but are not limited to: A history with the department indicating a less than optimal leadership commitment to safety and health, a rising experience modification factor, a recent catastrophic workplace injury, a change in the employer's safety management, and a request by the employer to participate. The department shall expand the current blueprint for safety program to include an additional department region of operation. The department shall post information on its web page to provide information about the

program to employers. Participation by an employer is voluntary and subject to approval by the department. The program shall supplement, but not replace any of, the department's existing compliance or consultation programs. The department shall adopt rules to establish criteria for participation in the blueprint for safety program, and shall initiate rule making in 2012. Funding for the blueprint for safety program created in this section cannot be appropriated from the medical aid fund or the accident fund, but shall be implemented within existing resources."

On page 1, line 2 of the title, after "program;" strike the remainder of the title and insert "and adding a new section to chapter 49.17 RCW."

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

**SENATE AMENDMENT TO HOUSE BILL**

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 2509 and advanced the bill as amended by the Senate to final passage.

**FINAL PASSAGE OF HOUSE BILL  
AS SENATE AMENDED**

Representatives Chandler and Sells spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2509, as amended by the Senate.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed House Bill No. 2509, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 2509, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Orwall presiding) called upon Representative Moeller to preside.

**MESSAGES FROM THE SENATE**

March 8, 2012

MR. SPEAKER:

March 8, 2012

The President has signed:

SUBSTITUTE HOUSE BILL NO. 1057  
 SUBSTITUTE HOUSE BILL NO. 1552  
 SUBSTITUTE HOUSE BILL NO. 1559  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1627  
 ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1860  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1983  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2048  
 SUBSTITUTE HOUSE BILL NO. 2177  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2197  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2233  
 SUBSTITUTE HOUSE BILL NO. 2252  
 SUBSTITUTE HOUSE BILL NO. 2254  
 SUBSTITUTE HOUSE BILL NO. 2261  
 SUBSTITUTE HOUSE BILL NO. 2263  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2264  
 HOUSE BILL NO. 2308  
 SUBSTITUTE HOUSE BILL NO. 2313  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2314  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2319  
 SUBSTITUTE HOUSE BILL NO. 2326  
 HOUSE BILL NO. 2329  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2337  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2347  
 SUBSTITUTE HOUSE BILL NO. 2349  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2361  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2363  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2373  
 SECOND SUBSTITUTE HOUSE BILL NO. 2452  
 HOUSE BILL NO. 2482  
 HOUSE BILL NO. 2485  
 HOUSE BILL NO. 2499  
 HOUSE BILL NO. 2535  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2567  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2570  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2582  
 THIRD SUBSTITUTE HOUSE BILL NO. 2585  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2586  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2614  
 SUBSTITUTE HOUSE BILL NO. 2617  
 ENGROSSED HOUSE BILL NO. 2620  
 SUBSTITUTE HOUSE BILL NO. 2640  
 SUBSTITUTE HOUSE BILL NO. 2673  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2692  
 ENGROSSED HOUSE BILL NO. 2771  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2799

and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 8, 2012

MR. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 6150  
 and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 8, 2012

MR. SPEAKER:

The Senate has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 6150, and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

Thomas Hoemann, Secretary

MR. SPEAKER:

The Senate has passed:

SENATE BILL NO. 6250  
 and the same are herewith transmitted.

Brad Hendrickson, Deputy, Secretary

March 8, 2012

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE HOUSE BILL NO. 2149  
 and the same are herewith transmitted.

Brad Hendrickson, Deputy, Secretary

March 8, 2012

MR. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL NO. 5355  
 SUBSTITUTE SENATE BILL NO. 5766  
 SUBSTITUTE SENATE BILL NO. 6135  
 SENATE BILL NO. 6159  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6383  
 SUBSTITUTE SENATE BILL NO. 6494  
 SUBSTITUTE SENATE BILL NO. 6600

and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 8, 2012

MR. SPEAKER:

The Senate has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE SENATE BILL NO. 6150, and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

Thomas Hoemann, Secretary

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

There being no objection, the Committee on Rules was relieved of the following bill and the bill was placed on the second reading calendar:

ENGROSSED HOUSE BILL NO. 2660

There being no objection, the House reverted to the seventh order of business.

**THIRD READING****MESSAGE FROM THE SENATE**

March 8, 2012

Mr. Speaker:

The Senate refuses to concur in the House amendment to SENATE BILL NO. 6492 and asks the House to recede therefrom, and the same is herewith transmitted.

Brad Hendersen, Deputy Secretary

**HOUSE AMENDMENT**

**TO SENATE BILL**

There being no objection, the House receded from its amendment. The rules were suspended and SENATE BILL NO. 6492 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

**SECOND READING**

**SUBSTITUTE SENATE BILL NO. 6492, by Senate Committee on Human Services & Corrections (originally sponsored by Senators Hargrove, Stevens and Regala)**

**Improving timeliness, efficiency, and accountability of forensic resource utilization associated with competency to stand trial.**

The bill was read the second time.

Representative Pedersen moved the adoption of amendment (1400).

Strike everything after the enacting clause and insert the following:

**"NEW SECTION. Sec. 1.** The purpose of this act is to sustainably improve the timeliness of services related to competency to stand trial by setting performance expectations, establishing new mechanisms for accountability, and enacting reforms to ensure that forensic resources are expended in an efficient and clinically appropriate manner without diminishing the quality of competency services, and to reduce the time defendants with mental illness spend in jail awaiting evaluation and restoration of competency.

**NEW SECTION. Sec. 2.** A new section is added to chapter 10.77 RCW to read as follows:

(1)(a) The legislature establishes the following performance targets for the timeliness of the completion of accurate and reliable evaluations of competency to stand trial and admissions for inpatient services related to competency to proceed or stand trial for adult criminal defendants. The legislature recognizes that these targets may not be achievable in all cases without compromise to quality of evaluation services, but intends for the department to manage, allocate, and request appropriations for resources in order to meet these targets whenever possible without sacrificing the accuracy of competency evaluations, and to otherwise make sustainable improvements and track performance related to the timeliness of competency services:

(i) For a state hospital to extend an offer of admission to a defendant in pretrial custody for legally authorized treatment or evaluation services related to competency, or to extend an offer of admission for legally authorized services following dismissal of charges based on incompetent to proceed or stand trial, seven days or less;

(ii) For completion of a competency evaluation in jail and distribution of the evaluation report for a defendant in pretrial custody, seven days or less;

(iii) For completion of a competency evaluation in the community and distribution of the evaluation report for a defendant who is released from custody and makes a reasonable effort to cooperate with the evaluation, twenty-one days or less.

(b) The time periods measured in these performance targets shall run from the date on which the state hospital receives the court referral and charging documents, discovery, and criminal history information related to the defendant. The targets in (a)(i) and (ii) of

this subsection shall be phased in over a six-month period from the effective date of this section. The target in (a)(iii) of this subsection shall be phased in over a twelve-month period from the effective date of this section.

(c) The legislature recognizes the following nonexclusive list of circumstances that may place achievement of targets for completion of competency services described in (a) of this subsection out of the department's reach in an individual case without aspersion to the efforts of the department:

(i) Despite a timely request, the department has not received necessary medical clearance information regarding the current medical status of a defendant in pretrial custody for the purposes of admission to a state hospital;

(ii) The individual circumstances of the defendant make accurate completion of an evaluation of competency to proceed or stand trial dependent upon review of medical history information which is in the custody of a third party and cannot be immediately obtained by the department. Completion of a competency evaluation shall not be postponed for procurement of medical history information which is merely supplementary to the competency determination;

(iii) Completion of the referral is frustrated by lack of availability or participation by counsel, jail or court personnel, interpreters, or the defendant; or

(iv) An unusual spike in the receipt of evaluation referrals or in the number of defendants requiring restoration services has occurred, causing temporary delays until the unexpected excess demand for competency services can be resolved.

(2) The department shall:

(a) Develop, document, and implement procedures to monitor the clinical status of defendants admitted to a state hospital for competency services that allow the state hospital to accomplish early discharge for defendants for whom clinical objectives have been achieved or may be achieved before expiration of the commitment period;

(b) Investigate the extent to which patients admitted to a state hospital under this chapter overstay time periods authorized by law and take reasonable steps to limit the time of commitment to authorized periods; and

(c) Establish written standards for the productivity of forensic evaluators and utilize these standards to internally review the performance of forensic evaluators.

(3) Following any quarter in which a state hospital has failed to meet one or more of the performance targets in subsection (1) of this section after full implementation of the performance target, the department shall report to the executive and the legislature the extent of this deviation and describe any corrective action being taken to improve performance. This report must be made publicly available. An average may be used to determine timeliness under this subsection.

(4) Beginning December 1, 2013, the department shall report annually to the legislature and the executive on the timeliness of services related to competency to proceed or stand trial and the timeliness with which court referrals accompanied by charging documents, discovery, and criminal history information are provided to the department relative to the signature date of the court order. The report must be in a form that is accessible to the public and that breaks down performance by county.

(5) This section does not create any new entitlement or cause of action related to the timeliness of competency evaluations or admission for inpatient services related to competency to proceed or stand trial, nor can it form the basis for contempt sanctions under chapter 7.21 RCW or a motion to dismiss criminal charges.

**Sec. 3.** RCW 10.77.060 and 2004 c 9 s 1 are each amended to read as follows:

(1)(a) Whenever a defendant has pleaded not guilty by reason of insanity, or there is reason to doubt his or her competency, the court

on its own motion or on the motion of any party shall either appoint or request the secretary to designate ~~((at least two))~~ a qualified expert~~((s))~~ or professional person~~((s))~~, ~~((one of whom))~~ who shall be approved by the prosecuting attorney, to ~~((examine))~~ evaluate and report upon the mental condition of the defendant.

~~(b)~~ The signed order of the court shall serve as authority for the ~~((experts))~~ evaluator to be given access to all records held by any mental health, medical, educational, or correctional facility that relate to the present or past mental, emotional, or physical condition of the defendant. ~~((At least one of the experts or professional persons appointed shall be a developmental disabilities professional))~~ If the court is advised by any party that the defendant may ~~((be developmentally disabled))~~ have a developmental disability, the evaluation must be performed by a developmental disabilities professional. ~~((Upon agreement of the parties, the court may designate one expert or professional person to conduct the examination and report on the mental condition of the defendant. For purposes of the examination, the court may order))~~

(c) The evaluator shall assess the defendant in a jail, detention facility, in the community, or in court to determine whether a period of inpatient commitment will be necessary to complete an accurate evaluation. If inpatient commitment is needed, the signed order of the court shall serve as authority for the evaluator to request the jail or detention facility to transport the defendant ~~((committed))~~ to a hospital or ~~((other suitably))~~ secure ~~((public or private))~~ mental health facility for a period of ~~((time necessary to complete the examination, but))~~ commitment not to exceed fifteen days from the time of admission to the facility. Otherwise, the evaluator shall complete the evaluation.

(d) The court may commit the defendant for evaluation to a hospital or secure mental health facility without an assessment if: (i) The defendant is charged with murder in the first or second degree; (ii) the court finds that it is more likely than not that an evaluation in the jail will be inadequate to complete an accurate evaluation; or (iii) the court finds that an evaluation outside the jail setting is necessary for the health, safety, or welfare of the defendant. The court shall not order an initial inpatient evaluation for any purpose other than a competency evaluation. ~~((If the defendant is being held in jail or other detention facility, upon agreement of the parties, the court may direct that the examination be conducted at the jail or other detention facility.~~

~~—(b))~~ (e) The order shall indicate whether, in the event the defendant is committed to a hospital or secure mental health facility for evaluation, all parties agree to waive the presence of the defendant or to the defendant's remote participation at a subsequent competency hearing or presentation of an agreed order if the recommendation of the evaluator is for continuation of the stay of criminal proceedings, or if the opinion of the evaluator is that the defendant remains incompetent and there is no remaining restoration period, and the hearing is held prior to the expiration of the authorized commitment period.

(f) When a defendant is ordered to be committed for inpatient ~~((examination))~~ evaluation under this subsection (1), the court may delay granting bail until the defendant has been evaluated for competency or sanity and appears before the court. Following the evaluation, in determining bail the court shall consider: (i) Recommendations of the ~~((expert or professional persons))~~ evaluator regarding the defendant's competency, sanity, or diminished capacity; (ii) whether the defendant has a recent history of one or more violent acts; (iii) whether the defendant has previously been acquitted by reason of insanity or found incompetent; (iv) whether it is reasonably likely the defendant will fail to appear for a future court hearing; and (v) whether the defendant is a threat to public safety.

(2) The court may direct that a qualified expert or professional person retained by or appointed for the defendant be permitted to witness the ~~((examination))~~ evaluation authorized by subsection (1) of

this section, and that the defendant shall have access to all information obtained by the court appointed experts or professional persons. The defendant's expert or professional person shall have the right to file his or her own report following the guidelines of subsection (3) of this section. If the defendant is indigent, the court shall upon the request of the defendant assist him or her in obtaining an expert or professional person.

(3) The report of the ~~((examination))~~ evaluation shall include the following:

(a) A description of the nature of the ~~((examination))~~ evaluation;

(b) A diagnosis or description of the current mental ~~((condition))~~ status of the defendant;

(c) If the defendant suffers from a mental disease or defect, or ~~((is developmentally disabled))~~ has a developmental disability, an opinion as to competency;

(d) If the defendant has indicated his or her intention to rely on the defense of insanity pursuant to RCW 10.77.030, and an evaluation and report by an expert or professional person has been provided concluding that the defendant was criminally insane at the time of the alleged offense, an opinion as to the defendant's sanity at the time of the act, and an opinion as to whether the defendant presents a substantial danger to other persons, or presents a substantial likelihood of committing criminal acts jeopardizing public safety or security, unless kept under further control by the court or other persons or institutions, provided that no opinion shall be rendered under this subsection (3)(d) unless the evaluator or court determines that the defendant is competent to stand trial;

(e) When directed by the court, if an evaluation and report by an expert or professional person has been provided concluding that the defendant lacked the capacity at the time of the offense to form the mental state necessary to commit the charged offense, an opinion as to the capacity of the defendant to have a particular state of mind which is an element of the offense charged;

(f) An opinion as to whether the defendant should be evaluated by a ~~((county))~~ designated mental health professional under chapter 71.05 RCW, ~~((and an opinion as to whether the defendant is a substantial danger to other persons, or presents a substantial likelihood of committing criminal acts jeopardizing public safety or security, unless kept under further control by the court or other persons or institutions)).~~

(4) The secretary may execute such agreements as appropriate and necessary to implement this section and may choose to designate more than one evaluator.

**Sec. 4.** RCW 10.77.065 and 2008 c 213 s 1 are each amended to read as follows:

(1)(a)(i) The ~~((facility))~~ expert conducting the evaluation shall provide ~~((his))~~ his or her report and recommendation to the court in which the criminal proceeding is pending. For a competency evaluation of a defendant who is released from custody, if the evaluation cannot be completed within twenty-one days due to a lack of cooperation by the defendant, the evaluator shall notify the court that he or she is unable to complete the evaluation because of such lack of cooperation.

~~—(ii))~~ (ii) A copy of the report and recommendation shall be provided to the designated mental health professional, the prosecuting attorney, the defense attorney, and the professional person at the local correctional facility where the defendant is being held, or if there is no professional person, to the person designated under (a)~~((ii))~~ ~~((iv))~~ (iv) of this subsection. Upon request, the ~~((facility))~~ evaluator shall also provide copies of any source documents relevant to the evaluation to the designated mental health professional. ~~((The report and recommendation shall be provided not less than twenty-four hours preceding the transfer of the defendant to the correctional facility in the county in which the criminal proceeding is pending.~~

~~—(ii))~~ (iii) Any facility providing inpatient services related to competency shall discharge the defendant as soon as the facility

determines that the defendant is competent to stand trial. Discharge shall not be postponed during the writing and distribution of the evaluation report. Distribution of an evaluation report by a facility providing inpatient services shall ordinarily be accomplished within two working days or less following the final evaluation of the defendant. If the defendant is discharged to the custody of a local correctional facility, the local correctional facility must continue the medication regimen prescribed by the facility, when clinically appropriate, unless the defendant refuses to cooperate with medication.

(iv) If there is no professional person at the local correctional facility, the local correctional facility shall designate a professional person as defined in RCW 71.05.020 or, in cooperation with the regional support network, a professional person at the regional support network to receive the report and recommendation.

((iii) When a defendant is transferred to the facility conducting the evaluation, or) (v) Upon commencement of a defendant's evaluation in the local correctional facility, the local correctional facility must notify the evaluator ((or the facility conducting the evaluation)) of the name of the professional person, or person designated under (a)((iii)) (iv) of this subsection, to receive the report and recommendation.

(b) If the ((facility)) evaluator concludes, under RCW 10.77.060(3)(f), the person shall be ((kept under further control, an evaluation shall be conducted of such person)) evaluated by a designated mental health professional under chapter 71.05 RCW((-), the court shall order ((as)) such evaluation be conducted ((by the appropriate designated mental health professional: (i)) prior to release from confinement ((for such person who is convicted, if sentenced to confinement for twenty-four months or less; (ii) for any person who is acquitted; or (iii) for any person: (A) Whose charges are dismissed pursuant to RCW 10.77.086(4); or (B) whose nonfelony charges are dismissed)) when the person is acquitted or convicted and sentenced to confinement for twenty-four months or less, or when charges are dismissed pursuant to a finding of incompetent to stand trial.

(2) The designated mental health professional shall provide written notification within twenty-four hours of the results of the determination whether to commence proceedings under chapter 71.05 RCW. The notification shall be provided to the persons identified in subsection (1)(a) of this section.

(3) The prosecuting attorney shall provide a copy of the results of any proceedings commenced by the designated mental health professional under subsection (2) of this section to the ((facility conducting the evaluation under this chapter)) secretary.

(4) The fact of admission and all information and records compiled, obtained, or maintained in the course of providing services under this chapter may also be disclosed to the courts solely to prevent the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

**Sec. 5.** RCW 10.77.084 and 2007 c 375 s 3 are each amended to read as follows:

(1)(a) If at any time during the pendency of an action and prior to judgment the court finds, following a report as provided in RCW 10.77.060, a defendant is incompetent, the court shall order the proceedings against the defendant be stayed except as provided in subsection (4) of this section.

(b) ((A defendant found incompetent shall be evaluated at the direction of the secretary and a determination made whether the defendant is an individual with a developmental disability. Such evaluation and determination shall be accomplished as soon as possible following the court's placement of the defendant in the custody of the secretary.

(i) When appropriate, and subject to available funds, if the defendant is determined to be an individual with a developmental disability, he or she may be placed in a program specifically reserved

for the treatment and training of persons with developmental disabilities where the defendant shall have the right to habilitation according to an individualized service plan specifically developed for the particular needs of the defendant. A copy of the evaluation shall be sent to the program.

(A) The program shall be separate from programs serving persons involved in any other treatment or habilitation program.

(B) The program shall be appropriately secure under the circumstances and shall be administered by developmental disabilities professionals who shall direct the habilitation efforts.

(C) The program shall provide an environment affording security appropriate with the charged criminal behavior and necessary to protect the public safety.

(ii) The department may limit admissions of such persons to this specialized program in order to ensure that expenditures for services do not exceed amounts appropriated by the legislature and allocated by the department for such services.

(iii) The department may establish admission priorities in the event that the number of eligible persons exceeds the limits set by the department.

(c)) At the end of the mental health treatment and restoration period, if any, or at any time a professional person determines competency has been, or is unlikely to be, restored, the defendant shall be returned to court for a hearing. The parties may agree to waive the defendant's presence or to remote participation by the defendant at a hearing or presentation of an agreed order if the recommendation of the evaluator is for the continuation of the stay of criminal proceedings, or if the opinion of the evaluator is that the defendant remains incompetent and there is no remaining restoration period, and the hearing is held prior to expiration of the defendant's authorized period of commitment, in which case the department shall promptly notify the court and parties of the date of the defendant's admission and expiration of commitment so that a timely hearing date may be scheduled. If, after notice and hearing, competency has been restored, the stay entered under (a) of this subsection shall be lifted. If competency has not been restored, the proceedings shall be dismissed without prejudice. If the court concludes that competency has not been restored, but that further treatment within the time limits established by RCW 10.77.086 or 10.77.088 is likely to restore competency, the court may order that treatment for purposes of competency restoration be continued. Such treatment may not extend beyond the combination of time provided for in RCW 10.77.086 or 10.77.088.

~~((d))~~ (c) If at any time during the proceeding the court finds, following notice and hearing, a defendant is not likely to regain competency, the proceedings shall be dismissed without prejudice and the defendant shall be evaluated for civil commitment proceedings.

(2) If the defendant is referred ~~((to the))~~ for evaluation by a designated mental health professional ((for consideration of initial detention proceedings under chapter 71.05 RCW pursuant to)) under this chapter, the designated mental health professional shall provide prompt written notification of the results of the ~~((determination whether to commence initial detention proceedings under chapter 71.05 RCW))~~ evaluation and whether the person was detained. The notification shall be provided to the court in which the criminal action was pending, the prosecutor, the defense attorney in the criminal action, and the facility that evaluated the defendant for competency.

(3) The fact that the defendant is unfit to proceed does not preclude any pretrial proceedings which do not require the personal participation of the defendant.

(4) A defendant receiving medication for either physical or mental problems shall not be prohibited from standing trial, if the medication either enables the defendant to understand the proceedings against him or her and to assist in his or her own defense, or does not disable him or her from so understanding and assisting in his or her own defense.

(5) At or before the conclusion of any commitment period provided for by this section, the facility providing evaluation and treatment shall provide to the court a written report of ~~((examination))~~ evaluation which meets the requirements of RCW 10.77.060(3). For defendants charged with a felony, the report following the second competency restoration period or first competency restoration period if the defendant's incompetence is determined to be solely due to a developmental disability or the evaluator concludes that the defendant is not likely to regain competency must include an assessment of the defendant's future dangerousness which is evidence-based regarding predictive validity.

**Sec. 6.** RCW 10.77.086 and 2007 c 375 s 4 are each amended to read as follows:

(1)(a) If the defendant is charged with a felony and determined to be incompetent, until he or she has regained the competency necessary to understand the proceedings against him or her and assist in his or her own defense, or has been determined unlikely to regain competency pursuant to RCW 10.77.084(1)~~((e))~~ (b), but in any event for a period of no longer than ninety days, the court:

~~((a))~~ (i) Shall commit the defendant to the custody of the secretary who shall place such defendant in an appropriate facility of the department for evaluation and treatment; or

~~((b))~~ (ii) May alternatively order the defendant to undergo evaluation and treatment at some other facility as determined by the department, or under the guidance and control of a professional person.

(b) For a defendant whose highest charge is a class C felony, or a class B felony that is not classified as violent under RCW 9.94A.030, the maximum time allowed for the initial period of commitment for competency restoration is forty-five days.

(2) On or before expiration of the initial ~~((ninety-day))~~ period of commitment under subsection (1) of this section the court shall conduct a hearing, at which it shall determine whether or not the defendant is incompetent.

(3) If the court finds by a preponderance of the evidence that a defendant charged with a felony is incompetent, the court shall have the option of extending the order of commitment or alternative treatment for an additional ~~((ninety-day))~~ period of ninety days, but the court must at the time of extension set a date for a prompt hearing to determine the defendant's competency before the expiration of the second ~~((ninety-day))~~ restoration period. The defendant, the defendant's attorney, or the prosecutor has the right to demand that the hearing be before a jury. No extension shall be ordered for a second ~~((ninety-day))~~ or third restoration period~~((, nor for any subsequent period))~~ as provided in subsection (4) of this section~~((s))~~ if the defendant's incompetence has been determined by the secretary to be solely the result of a developmental disability which is such that competence is not reasonably likely to be regained during an extension.

(4) For persons charged with a felony, at the hearing upon the expiration of the second ~~((ninety-day))~~ restoration period or at the end of the first ~~((ninety-day))~~ restoration period, in the case of a defendant with a developmental disability, if the jury or court finds that the defendant is incompetent, the charges shall be dismissed without prejudice, and ~~((either civil commitment proceedings shall be instituted or))~~ the court shall either order the release of the defendant or order the defendant be committed to a hospital or secure mental health facility for up to seventy-two hours starting from admission to the facility, excluding Saturdays, Sundays, and holidays, for evaluation for the purpose of filing a civil commitment petition. The criminal charges shall not be dismissed if the court or jury finds that: (a) The defendant (i) is a substantial danger to other persons; or (ii) presents a substantial likelihood of committing criminal acts jeopardizing public safety or security; and (b) there is a substantial probability that the defendant will regain competency within a reasonable period of time. In the event that the court or jury makes

such a finding, the court may extend the period of commitment for up to an additional six months.

**NEW SECTION. Sec. 7.** A new section is added to chapter 10.77 RCW to read as follows:

(1) A defendant found incompetent by the court under RCW 10.77.084 must be evaluated at the direction of the secretary and a determination made whether the defendant is an individual with a developmental disability. Such evaluation and determination must be accomplished as soon as possible following the court's placement of the defendant in the custody of the secretary.

(2) When appropriate, and subject to available funds, if the defendant is determined to be an individual with a developmental disability, he or she may be placed in a program specifically reserved for the treatment and training of persons with developmental disabilities where the defendant has the right to habilitation according to an individualized service plan specifically developed for the particular needs of the defendant. A copy of the evaluation must be sent to the program.

(a) The program must be separate from programs serving persons involved in any other treatment or habilitation program.

(b) The program must be appropriately secure under the circumstances and must be administered by developmental disabilities professionals who shall direct the habilitation efforts.

(c) The program must provide an environment affording security appropriate with the charged criminal behavior and necessary to protect the public safety.

(3) The department may limit admissions of such persons to this specialized program in order to ensure that expenditures for services do not exceed amounts appropriated by the legislature and allocated by the department for such services.

(4) The department may establish admission priorities in the event that the number of eligible persons exceeds the limits set by the department.

**Sec. 8.** RCW 71.05.310 and 2005 c 504 s 709 are each amended to read as follows:

The court shall conduct a hearing on the petition for ninety-day treatment within five judicial days of the first court appearance after the probable cause hearing, or within ten judicial days for a petition filed under RCW 71.05.280(3). The court may continue the hearing for good cause upon the written request of the person named in the petition or the person's attorney~~((s))~~. The court may continue for good cause ~~((shown, which continuance shall not exceed five additional judicial days))~~ the hearing on a petition filed under RCW 71.05.280(3) upon written request by the person named in the petition, the person's attorney, or the petitioner. If the person named in the petition requests a jury trial, the trial shall commence within ten judicial days of the first court appearance after the probable cause hearing. The burden of proof shall be by clear, cogent, and convincing evidence and shall be upon the petitioner. The person shall be present at such proceeding, which shall in all respects accord with the constitutional guarantees of due process of law and the rules of evidence pursuant to RCW 71.05.360 (8) and (9).

During the proceeding, the person named in the petition shall continue to be treated until released by order of the superior court. If no order has been made within thirty days after the filing of the petition, not including extensions of time requested by the detained person or his or her attorney, or the petitioner in the case of a petition filed under RCW 71.05.280(3), the detained person shall be released.

**NEW SECTION. Sec. 9.** The joint legislative audit and review committee shall make an independent assessment of the performance of the state hospitals with respect to provisions specified in section 2 of this act, but shall not be required to independently evaluate the exercise of clinical judgment. A report shall be made to the legislature reflecting the committee's findings and recommendations both six and eighteen months following the effective date of this section. The department of social and health services shall cooperate

in a timely manner with requests for data and assistance related to this assessment.

**NEW SECTION. Sec. 10.** The Washington state institute for public policy shall study and report to the legislature the benefit of standardizing protocols used for treatment to restore competency to stand trial in Washington and during what clinically appropriate time period said treatment may be expected to be effective. The department of social and health services shall cooperate in a timely manner with data requests in service of this study.

**NEW SECTION. Sec. 11.** A new section is added to chapter 70.48 RCW to read as follows:

A jail may not refuse to book a patient of a state hospital solely based on the patient's status as a state hospital patient, but may consider other relevant factors that apply to the individual circumstances in each case.

**NEW SECTION. Sec. 12.** A new section is added to chapter 10.77 RCW to read as follows:

(1) A state hospital may administer antipsychotic medication without consent to an individual who is committed under this chapter as criminally insane by following the same procedures applicable to the administration of antipsychotic medication without consent to a civilly committed patient under RCW 71.05.217, except for the following:

(a) The maximum period during which the court may authorize the administration of medication without consent under a single involuntary medication petition shall be the time remaining on the individual's current order of commitment or one hundred eighty days, whichever is shorter; and

(b) A petition for involuntary medication may be filed in either the superior court of the county that ordered the commitment or the superior court of the county in which the individual is receiving treatment, provided that a copy of any order that is entered must be provided to the superior court of the county that ordered the commitment following the hearing. The superior court of the county of commitment shall retain exclusive jurisdiction over all hearings concerning the release of the patient.

(2) The state has a compelling interest in providing antipsychotic medication to a patient who has been committed as criminally insane when refusal of antipsychotic medication would result in a likelihood of serious harm or substantial deterioration or substantially prolong the length of involuntary commitment and there is no less intrusive course of treatment than medication that is in the best interest of the patient.

**NEW SECTION. Sec. 13.** 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. 14.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect May 1, 2012."

Correct the title.

Representatives Pedersen and Rodne spoke in favor of the adoption of the amendment.

Amendment (1400) 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 Pedersen and Rodne spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6492, as amended by the House.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6492, as amended by the House, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

SUBSTITUTE SENATE BILL NO. 6492, as amended by the House, having received the necessary constitutional majority, was declared passed.

### SECOND READING

**SUBSTITUTE SENATE BILL NO. 6073, by Senate Committee on Ways & Means (originally sponsored by Senators Kilmer, Regala, Rolfes and Carrell)**

**Concerning sales and use taxes related to the state route number 16 corridor improvements project.**

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 Seaquist, Angel and Appleton spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6073.

### ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6073, and the bill passed the House by the following vote: Yeas, 72; Nays, 26; Absent, 0; Excused, 0.

Voting yea: Representatives Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Clibborn, Cody, Condotta, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hope, Hudgins, Hunt, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Overstreet, Pedersen, Pettigrew, Pollet, Probst, Roberts, Santos, Seaquist, Sells, Smith, Springer, Stanford,

Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Buys, Chandler, Crouse, DeBolt, Fagan, Hinkle, Hunter, Johnson, Kristiansen, McCune, Orcutt, Parker, Pearson, Reykdal, Rivers, Rodne, Ross, Ryu, Schmick, Shea, Short, Taylor and Wilcox.

SUBSTITUTE SENATE BILL NO. 6073, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SUBSTITUTE SENATE BILL NO. 5978, by Senate Committee on Health & Long-Term Care (originally sponsored by Senators Pflug, Keiser, Frockt, Conway and Kohl-Welles)**

**Concerning medicaid fraud.**

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Ways & Means was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 60, March 7, 2012).

With the consent of the house, amendment (1358) to the committee amendment was withdrawn.

Representative Wilcox moved the adoption of amendment (1359) to the committee amendment:

On page 6, line 20 of the striking amendment, after "any" strike "qui tam relator or other"

On page 7, beginning on line 3 of the striking amendment, strike all of subsections (13) and (14)

On page 8, beginning on line 34 of the striking amendment, strike all of sections 205 through 208 and insert the following:

**"NEW SECTION. Sec. 205.** Any person who is the original source of the information used by the attorney general to bring an action under section 202 of this act shall receive seventeen percent of any recovery by the attorney general in the action. As used in this section, "original source of information" means information no part of which has been previously disclosed to or known by the government or public. If the court finds that the person who was the original source of the information used by the attorney general to bring an action under section 202 of this act planned, initiated, or participated in the conduct upon which the action is brought, such person shall not be entitled to any percentage of the recovery obtained in such action."

Renumber the remaining sections consecutively and correct internal references accordingly.

On page 14, line 7 of the striking amendment, after "204" strike "or 205"

On page 14, line 9 of the striking amendment, after "204" strike "or 205"

On page 14, beginning on line 12 of the striking amendment, strike all of subsection (3)

Renumber the remaining subsections consecutively and correct internal references accordingly.

On page 14, line 18 of the striking amendment, after "204" strike "or 205"

On page 14, line 27 of the striking amendment, after "204" strike "or 205"

On page 14, line 29 of the striking amendment, after "204" strike "or 205"

On page 15, line 4 of the striking amendment, after "204" strike "or 205"

On page 15, beginning on line 5 of the striking amendment, strike all of subsection (3)

On page 15, beginning on line 22 of the striking amendment, after "this act" strike all material through "this act" on line 23

On page 16, beginning on line 2 of the striking amendment, after "served." strike all material through "investigation." on line 6

On page 26, beginning on line 30 of the striking amendment, strike all of section 213

Renumber the remaining sections consecutively and correct internal references accordingly.

Representatives Wilcox, Rodne, Schmick, Alexander and Shea spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Pedersen, Pollet and Eddy spoke against the adoption of the amendment to the committee amendment.

An electronic roll call was requested.

**ROLL CALL**

The Clerk called the roll on the adoption of amendment (1359) to the committee amendment, and the amendment was not adopted by the following vote: Yeas, 46; Nays, 52; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Bailey, Buys, Carlyle, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Klippert, Kretz, Kristiansen, Liias, McCune, Morris, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Springer, Taylor, Walsh, Warnick, Wilcox and Zeiger.

Voting nay: Representatives Anderson, Appleton, Billig, Blake, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lytton, Maxwell, McCoy, Miloscia, Moeller, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Amendment (1359) 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.

Representative Eddy spoke in favor of the passage of the bill.

Representatives Rodne and Shea spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5978, as amended by the House.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5978, as amended by the House, and the bill passed the House by the following vote: Yeas, 56; Nays, 42; Absent, 0; Excused, 0.

Voting yea: Representatives Anderson, Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Johnson, Klippert, Kretz, Kristiansen, Lias, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Springer, Taylor, Walsh, Warnick, Wilcox and Zeiger.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5978, as amended by the House, having received the necessary constitutional majority, was declared passed.

**ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5539, by Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Prentice, White, Kilmer, Brown and McAuliffe)**

**Concerning Washington's motion picture competitiveness.**

The bill was read the second time.

With the consent of the house, amendment (1320) was withdrawn.

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

Representatives Kenney, Haler, Orcutt, Hinkle, Bailey and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 5539.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5539, and the bill passed the House by the following vote: Yeas, 92; Nays, 6; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hurst, Jinkins, Johnson, Kagi, Kelley, Kirby, Klippert, Kristiansen, Ladenburg, Lias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives DeBolt, Eddy, Hunter, Kretz, Reykdal and Taylor.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5539, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2660, by Representatives Clibborn, Ryu, Moeller, Finn, Billig, Eddy, Fitzgibbon and Moscoso**

**Addressing transportation revenue.**

The bill was read the second time.

The committee recommendation by the committee on Transportation where not adopted.

Representative Clibborn moved the adoption of amendment (1401).

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 46.17.100 and 2010 c 161 s 508 are each amended to read as follows:

Before accepting an application for a certificate of title as required in this title, the department, county auditor or other agent, or subagent appointed by the director shall require the applicant to pay a ~~((five))~~ fifteen dollar application fee in addition to any other fees and taxes required by law.

(1) Five dollars of the certificate of title application fee must be distributed under RCW 46.68.020.

(2) Ten dollars of the certificate of title application fee must be credited to the transportation 2003 account (nickel account) created in RCW 46.68.280.

**Sec. 2.** RCW 46.17.140 and 2010 c 161 s 512 are each amended to read as follows:

The penalty for a late transfer under RCW 46.12.650(7) is ~~((twenty-five))~~ fifty dollars assessed on the sixteenth day after the date of delivery and two dollars for each additional day thereafter, but the total penalty must not exceed one hundred twenty-five dollars. The penalty must be distributed under RCW 46.68.020.

**Sec. 3.** RCW 46.17.200 and 2011 c 171 s 56 are each amended to read as follows:

(1) In addition to all other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge:

(a) The following license plate fees for each license plate, unless the owner or type of vehicle is exempt from payment:

FEE TYPE	FEE	DISTRIBUTION
<u>Original issue</u>	<u>\$ 10.00</u>	<u>RCW 46.68.070</u>
Reflectivity	\$ 2.00	RCW 46.68.070
Replacement	\$ 10.00	RCW 46.68.070
<u>Original issue, motorcycle</u>	<u>\$ 4.00</u>	<u>RCW 46.68.070</u>
Replacement, motorcycle	<del>((2.00))</del> <u>\$ 4.00</u>	RCW 46.68.070
Original issue, moped	\$ 1.50	RCW 46.68.070

(b) A license plate retention fee, as required under RCW 46.16A.200(~~((a)(iii))~~) (c), of twenty dollars if the owner wishes to retain the current license plate number upon license plate replacement, unless the owner or type of vehicle is exempt from

payment. The twenty dollar fee must be deposited in the multimodal transportation account created in RCW 47.66.070.

(c) A ten dollar license plate transfer fee, as required under RCW 46.16A.200(8)(a), when transferring standard issue license plates from one vehicle to another, unless the owner or type of vehicle is exempt from payment. The ten dollar license plate transfer fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

(d) Former prisoner of war license plates, as described in RCW 46.18.235, may be transferred to a replacement vehicle upon payment of a five dollar license plate fee, in addition to any other fee required by law.

(2) The department may, upon request, provide license plates that have been used and returned to the department to individuals for nonvehicular use. The department may charge a fee of up to five dollars per license plate to cover costs or recovery for postage and handling. The department may waive the fee for license plates used in educational projects and may, by rule, provide standards for the fee waiver and restrictions on the number of license plates provided to any one person. The fee must be deposited in the motor vehicle fund created in RCW 46.68.070.

**Sec. 4.** RCW 46.20.293 and 2007 c 424 s 1 are each amended to read as follows:

The department is authorized to provide juvenile courts with the department's record of traffic charges compiled under RCW 46.52.101 and 13.50.200, against any minor upon the request of any state juvenile court or duly authorized officer of any juvenile court of this state. Further, the department is authorized to provide any juvenile court with any requested service which the department can reasonably perform which is not inconsistent with its legal authority which substantially aids juvenile courts in handling traffic cases and which promotes highway safety.

The department is authorized to furnish to the parent, parents, or guardian of any person under eighteen years of age who is not emancipated from such parent, parents, or guardian, the department records of traffic charges compiled against the person and shall collect for the copy a fee of ~~((ten))~~ thirteen dollars, fifty percent of which must be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

**Sec. 5.** RCW 46.29.050 and 2010 c 8 s 9028 are each amended to read as follows:

(1) The department shall upon request furnish any person or his or her attorney a certified abstract of his or her driving record, which abstract shall include enumeration of any motor vehicle accidents in which such person has been involved. Such abstract shall (a) indicate the total number of vehicles involved, whether the vehicles were legally parked or moving, and whether the vehicles were occupied at the time of the accident; and (b) contain reference to any convictions of the person for violation of the motor vehicle laws as reported to the department, reference to any findings that the person has committed a traffic infraction which have been reported to the department, and a record of any vehicles registered in the name of the person. The department shall collect for each abstract the sum of ~~((ten))~~ thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

(2) The department shall upon request furnish any person who may have been injured in person or property by any motor vehicle, with an abstract of all information of record in the department pertaining to the evidence of the ability of any driver or owner of any motor vehicle to respond in damages. The department shall collect for each abstract the sum of ~~((ten))~~ thirteen dollars, fifty percent of which shall be deposited in the highway safety fund and fifty percent of which must be deposited according to RCW 46.68.038.

**Sec. 6.** RCW 46.52.130 and 2010 c 253 s 1 are each amended to read as follows:

Upon a proper request, the department may furnish an abstract of a person's driving record as permitted under this section.

(1) **Contents of abstract of driving record.** An abstract of a person's driving record, whenever possible, must include:

(a) An enumeration of motor vehicle accidents in which the person was driving, including:

(i) The total number of vehicles involved;

(ii) Whether the vehicles were legally parked or moving;

(iii) Whether the vehicles were occupied at the time of the accident; and

(iv) Whether the accident resulted in a fatality;

(b) Any reported convictions, forfeitures of bail, or findings that an infraction was committed based upon a violation of any motor vehicle law;

(c) The status of the person's driving privilege in this state; and

(d) Any reports of failure to appear in response to a traffic citation or failure to respond to a notice of infraction served upon the named individual by an arresting officer.

(2) **Release of abstract of driving record.** An abstract of a person's driving record may be furnished to the following persons or entities:

(a) **Named individuals.** (i) An abstract of the full driving record maintained by the department may be furnished to the individual named in the abstract.

(ii) Nothing in this section prevents a court from providing a copy of the driver's abstract to the individual named in the abstract, provided that the named individual has a pending or open infraction or criminal case in that court. A pending case includes criminal cases that have not reached a disposition by plea, stipulation, trial, or amended charge. An open infraction or criminal case includes cases on probation, payment agreement or subject to, or in collections. Courts may charge a reasonable fee for the production and copying of the abstract for the individual.

(b) **Employers or prospective employers.** (i) An abstract of the full driving record maintained by the department may be furnished to an employer or prospective employer or an agent acting on behalf of an employer or prospective employer of the named individual for purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer.

(ii) Release of an abstract of the driving record of an employee or prospective employee requires a statement signed by: (A) The employee or prospective employee that authorizes the release of the record; and (B) the employer attesting that the information is necessary for employment purposes related to driving by the individual as a condition of employment or otherwise at the direction of the employer. If the employer or prospective employer authorizes an agent to obtain this information on their behalf, this must be noted in the statement.

(iii) Upon request of the person named in the abstract provided under this subsection, and upon that same person furnishing copies of court records ruling that the person was not at fault in a motor vehicle accident, the department must indicate on any abstract provided under this subsection that the person was not at fault in the motor vehicle accident.

(c) **Volunteer organizations.** (i) An abstract of the full driving record maintained by the department may be furnished to a volunteer organization or an agent for a volunteer organization for which the named individual has submitted an application for a position that would require driving by the individual at the direction of the volunteer organization.

(ii) Release of an abstract of the driving record of a prospective volunteer requires a statement signed by: (A) The prospective volunteer that authorizes the release of the record; and (B) the volunteer organization attesting that the information is necessary for purposes related to driving by the individual at the direction of the volunteer organization. If the volunteer organization authorizes an

agent to obtain this information on their behalf, this must be noted in the statement.

(d) **Transit authorities.** An abstract of the full driving record maintained by the department may be furnished to an employee or agent of a transit authority checking prospective volunteer vanpool drivers for insurance and risk management needs.

(e) **Insurance carriers.** (i) An abstract of the driving record maintained by the department covering the period of not more than the last three years may be furnished to an insurance company or its agent:

(A) That has motor vehicle or life insurance in effect covering the named individual;

(B) To which the named individual has applied; or

(C) That has insurance in effect covering the employer or a prospective employer of the named individual.

(ii) The abstract provided to the insurance company must:

(A) Not contain any information related to actions committed by law enforcement officers or firefighters, as both terms are defined in RCW 41.26.030, or by Washington state patrol officers, while driving official vehicles in the performance of their occupational duty. This does not apply to any situation where the vehicle was used in the commission of a misdemeanor or felony;

(B) Include convictions under RCW 46.61.5249 and 46.61.525, except that the abstract must report the convictions only as negligent driving without reference to whether they are for first or second degree negligent driving; and

(C) Exclude any deferred prosecution under RCW 10.05.060, except that if a person is removed from a deferred prosecution under RCW 10.05.090, the abstract must show the deferred prosecution as well as the removal.

(iii) Any policy of insurance may not be canceled, nonrenewed, denied, or have the rate increased on the basis of information regarding an accident included in the abstract of a driving record, unless the policyholder was determined to be at fault.

(iv) Any insurance company or its agent, for underwriting purposes relating to the operation of commercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of motor vehicles while not engaged in such employment. Any insurance company or its agent, for underwriting purposes relating to the operation of noncommercial motor vehicles, may not use any information contained in the abstract relative to any person's operation of commercial motor vehicles.

(v) The director may enter into a contractual agreement with an insurance company or its agent for the limited purpose of reviewing the driving records of existing policyholders for changes to the record during specified periods of time. The department shall establish a fee for this service, which must be deposited in the highway safety fund. The fee for this service must be set at a level that will not result in a net revenue loss to the state. Any information provided under this subsection must be treated in the same manner and is subject to the same restrictions as driving record abstracts.

(f) **Alcohol/drug assessment or treatment agencies.** An abstract of the driving record maintained by the department covering the period of not more than the last five years may be furnished to an alcohol/drug assessment or treatment agency approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment, for purposes of assisting employees in making a determination as to what level of treatment, if any, is appropriate, except that the abstract must:

(i) Also include records of alcohol-related offenses, as defined in RCW 46.01.260(2), covering a period of not more than the last ten years; and

(ii) Indicate whether an alcohol-related offense was originally charged as a violation of either RCW 46.61.502 or 46.61.504.

(g) **City attorneys and county prosecuting attorneys.** An abstract of the full driving record maintained by the department, including whether a recorded violation is an alcohol-related offense, as defined in RCW 46.01.260(2), that was originally charged as a violation of either RCW 46.61.502 or 46.61.504, may be furnished to city attorneys or county prosecuting attorneys. City attorneys and county prosecuting attorneys may provide the driving record to alcohol/drug assessment or treatment agencies approved by the department of social and health services to which the named individual has applied or been assigned for evaluation or treatment.

(h) **State colleges, universities, or agencies, or units of local government.** An abstract of the full driving record maintained by the department may be furnished to (i) state colleges, universities, or agencies for employment and risk management purposes or (ii) units of local government authorized to self-insure under RCW 48.62.031 for employment and risk management purposes.

(i) **Superintendent of public instruction.** An abstract of the full driving record maintained by the department may be furnished to the superintendent of public instruction for review of public school bus driver records. The superintendent or superintendent's designee may discuss information on the driving record with an authorized representative of the employing school district for employment and risk management purposes.

(3) **Release to third parties prohibited.** Any person or entity receiving an abstract of a person's driving record under subsection (2)(b) through (i) of this section shall use the abstract exclusively for his, her, or its own purposes or as otherwise expressly permitted under this section, and shall not divulge any information contained in the abstract to a third party.

(4) **Fee.** The director shall collect a ~~((ten))~~ thirteen dollar fee for each abstract of a person's driving record furnished by the department. Fifty percent of the fee must be deposited in the highway safety fund, and fifty percent of the fee must be deposited according to RCW 46.68.038.

(5) **Violation.** (a) Any negligent violation of this section is a gross misdemeanor.

(b) Any intentional violation of this section is a class C felony.

**Sec. 7.** RCW 46.70.061 and 2002 c 352 s 23 are each amended to read as follows:

(1) The annual fees for original licenses issued for twelve consecutive months from the date of issuance under this chapter shall be:

(a) Vehicle dealers, principal place of business for each and every license classification: ~~((Seven))~~ Nine hundred ~~((fifty))~~ seventy-five dollars;

(b) Vehicle dealers, each subagency, and temporary subagency: One hundred dollars;

(c) Vehicle manufacturers: Five hundred dollars.

(2) The annual fee for renewal of any license issued pursuant to this chapter shall be:

(a) Vehicle dealers, principal place of business for each and every license classification: ~~((Two))~~ Three hundred ~~((fifty))~~ twenty-five dollars;

(b) Vehicle dealer, each and every subagency: Twenty-five dollars;

(c) Vehicle manufacturers: Two hundred fifty dollars.

If any licensee fails or neglects to apply for such renewal within thirty days after the expiration of the license, or assigned renewal date under a staggered licensing system, the license shall be declared canceled by the director, in which case the licensee will be required to apply for an original license and pay the fee required for the original license.

(3) The fee for the transfer to another location of any license classification issued pursuant to this chapter shall be twenty-five dollars.

(4) The fee for vehicle dealer license plates and manufacturer license plates shall be the amount required by law for vehicle license plates exclusive of excise tax and gross weight and tonnage fees.

(5) All fees collected under this chapter shall be deposited in the state treasury and credited to the motor vehicle fund.

(6) The fees prescribed in this section are in addition to any excise taxes imposed by chapter 82.44 RCW.

**Sec. 8.** RCW 46.70.180 and 2010 c 161 s 1136 are each amended to read as follows:

Each of the following acts or practices is unlawful:

(1) To cause or permit to be advertised, printed, displayed, published, distributed, broadcasted, televised, or disseminated in any manner whatsoever, any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to the following:

(a) That no down payment is required in connection with the sale of a vehicle when a down payment is in fact required, or that a vehicle may be purchased for a smaller down payment than is actually required;

(b) That a certain percentage of the sale price of a vehicle may be financed when such financing is not offered in a single document evidencing the entire security transaction;

(c) That a certain percentage is the amount of the service charge to be charged for financing, without stating whether this percentage charge is a monthly amount or an amount to be charged per year;

(d) That a new vehicle will be sold for a certain amount above or below cost without computing cost as the exact amount of the factory invoice on the specific vehicle to be sold;

(e) That a vehicle will be sold upon a monthly payment of a certain amount, without including in the statement the number of payments of that same amount which are required to liquidate the unpaid purchase price.

(2)(a)(i) To incorporate within the terms of any purchase and sale or lease agreement any statement or representation with regard to the sale, lease, or financing of a vehicle which is false, deceptive, or misleading, including but not limited to terms that include as an added cost to the selling price or capitalized cost of a vehicle an amount for licensing or transfer of title of that vehicle which is not actually due to the state, unless such amount has in fact been paid by the dealer prior to such sale.

(ii) However, an amount not to exceed ~~((the applicable amount provided in (iii)(A) and (B) of this subsection (2)(a))~~ one hundred fifty dollars per vehicle sale or lease may be charged by a dealer to recover administrative costs for collecting motor vehicle excise taxes, licensing and registration fees and other agency fees, verifying and clearing titles, transferring titles, perfecting, releasing, or satisfying liens or other security interests, and other administrative and documentary services rendered by a dealer in connection with the sale or lease of a vehicle and in carrying out the requirements of this chapter or any other provisions of state law.

((iii) A dealer may charge under (a)(ii) of this subsection:

(A) As of July 26, 2009, through June 30, 2014, an amount not to exceed one hundred fifty dollars; and

(B) As of July 1, 2014, an amount not to exceed fifty dollars.)

(b) A dealer may charge the documentary service fee in (a) of this subsection under the following conditions:

(i) The documentary service fee is disclosed in writing to a prospective purchaser or lessee before the execution of a purchase and sale or lease agreement;

(ii) The dealer discloses to the purchaser or lessee in writing that the documentary service fee is a negotiable fee. The disclosure must be written in a typeface that is at least as large as the typeface used in the standard text of the document that contains the disclosure and that is bold faced, capitalized, underlined, or otherwise set out from the surrounding material so as to be conspicuous. The dealer shall not represent to the purchaser or lessee that the fee or charge is required

by the state to be paid by either the dealer or prospective purchaser or lessee;

(iii) The documentary service fee is separately designated from the selling price or capitalized cost of the vehicle and from any other taxes, fees, or charges; and

(iv) Dealers disclose in any advertisement that a documentary service fee in an amount ~~((provided in (iv)(A) and (B) of this subsection (2)(b))~~ up to one hundred fifty dollars may be added to the sale price or the capitalized cost ~~((~~ ~~(A) As of July 26, 2009, through June 30, 2014, an amount up to one hundred fifty dollars; and~~ ~~(B) As of July 1, 2014, an amount up to fifty dollars)).~~

For the purposes of this subsection (2), the term "documentary service fee" means the optional amount charged by a dealer to provide the services specified in (a) of this subsection.

(3) To set up, promote, or aid in the promotion of a plan by which vehicles are to be sold or leased to a person for a consideration and upon further consideration that the purchaser or lessee agrees to secure one or more persons to participate in the plan by respectively making a similar purchase and in turn agreeing to secure one or more persons likewise to join in said plan, each purchaser or lessee being given the right to secure money, credits, goods, or something of value, depending upon the number of persons joining the plan.

(4) To commit, allow, or ratify any act of "bushing" which is defined as follows: Entering into a written contract, written purchase order or agreement, retail installment sales agreement, note and security agreement, or written lease agreement, hereinafter collectively referred to as contract or lease, signed by the prospective buyer or lessee of a vehicle, which:

(a) Is subject to any conditions or the dealer's or his or her authorized representative's future acceptance, and the dealer fails or refuses within four calendar days, exclusive of Saturday, Sunday, or legal holiday, and prior to any further negotiations with said buyer or lessee to inform the buyer or lessee either: (i) That the dealer unconditionally accepts the contract or lease, having satisfied, removed, or waived all conditions to acceptance or performance, including, but not limited to, financing, assignment, or lease approval; or (ii) that the dealer rejects the contract or lease, thereby automatically voiding the contract or lease, as long as such voiding does not negate commercially reasonable contract or lease provisions pertaining to the return of the subject vehicle and any physical damage, excessive mileage after the demand for return of the vehicle, and attorneys' fees authorized by law, and tenders the refund of any initial payment or security made or given by the buyer or lessee, including, but not limited to, any down payment, and tenders return of the trade-in vehicle, key, other trade-in, or certificate of title to a trade-in. Tender may be conditioned on return of the subject vehicle if previously delivered to the buyer or lessee.

The provisions of this subsection (4)(a) do not impair, prejudice, or abrogate the rights of a dealer to assert a claim against the buyer or lessee for misrepresentation or breach of contract and to exercise all remedies available at law or in equity, including those under chapter 62A.9A RCW, if the dealer, bank, or other lender or leasing company discovers that approval of the contract or financing or approval of the lease was based upon material misrepresentations made by the buyer or lessee, including, but not limited to, misrepresentations regarding income, employment, or debt of the buyer or lessee, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation. A dealer shall not be in violation of this subsection (4)(a) if the buyer or lessee made a material misrepresentation to the dealer, as long as the dealer, or his or her staff, has not, with knowledge of the material misrepresentation, aided, assisted, encouraged, or participated, directly or indirectly, in the misrepresentation.

When a dealer informs a buyer or lessee under this subsection (4)(a) regarding the unconditional acceptance or rejection of the contract, lease, or financing by an electronic mail message, the dealer must also transmit the communication by any additional means;

(b) Permits the dealer to renegotiate a dollar amount specified as trade-in allowance on a vehicle delivered or to be delivered by the buyer or lessee as part of the purchase price or lease, for any reason except:

(i) Failure to disclose that the vehicle's certificate of title has been branded for any reason, including, but not limited to, status as a rebuilt vehicle as provided in RCW 46.12.540 and 46.12.560; or

(ii) Substantial physical damage or latent mechanical defect occurring before the dealer took possession of the vehicle and which could not have been reasonably discoverable at the time of the taking of the order, offer, or contract; or

(iii) Excessive additional miles or a discrepancy in the mileage. "Excessive additional miles" means the addition of five hundred miles or more, as reflected on the vehicle's odometer, between the time the vehicle was first valued by the dealer for purposes of determining its trade-in value and the time of actual delivery of the vehicle to the dealer. "A discrepancy in the mileage" means (A) a discrepancy between the mileage reflected on the vehicle's odometer and the stated mileage on the signed odometer statement; or (B) a discrepancy between the mileage stated on the signed odometer statement and the actual mileage on the vehicle; or

(c) Fails to comply with the obligation of any written warranty or guarantee given by the dealer requiring the furnishing of services or repairs within a reasonable time.

(5) To commit any offense relating to odometers, as such offenses are defined in RCW 46.37.540, 46.37.550, 46.37.560, and 46.37.570. A violation of this subsection is a class C felony punishable under chapter 9A.20 RCW.

(6) For any vehicle dealer or vehicle salesperson to refuse to furnish, upon request of a prospective purchaser or lessee, for vehicles previously registered to a business or governmental entity, the name and address of the business or governmental entity.

(7) To commit any other offense under RCW 46.37.423, 46.37.424, or 46.37.425.

(8) To commit any offense relating to a dealer's temporary license permit, including but not limited to failure to properly complete each such permit, or the issuance of more than one such permit on any one vehicle. However, a dealer may issue a second temporary permit on a vehicle if the following conditions are met:

(a) The lienholder fails to deliver the vehicle title to the dealer within the required time period;

(b) The dealer has satisfied the lien; and

(c) The dealer has proof that payment of the lien was made within two calendar days, exclusive of Saturday, Sunday, or a legal holiday, after the sales contract has been executed by all parties and all conditions and contingencies in the sales contract have been met or otherwise satisfied.

(9) For a dealer, salesperson, or mobile home manufacturer, having taken an instrument or cash "on deposit" from a purchaser or lessee prior to the delivery of the bargained-for vehicle, to commingle the "on deposit" funds with assets of the dealer, salesperson, or mobile home manufacturer instead of holding the "on deposit" funds as trustee in a separate trust account until the purchaser or lessee has taken delivery of the bargained-for vehicle. Delivery of a manufactured home shall be deemed to occur in accordance with RCW 46.70.135(5). Failure, immediately upon receipt, to endorse "on deposit" instruments to such a trust account, or to set aside "on deposit" cash for deposit in such trust account, and failure to deposit such instruments or cash in such trust account by the close of banking hours on the day following receipt thereof, shall be evidence of intent to commit this unlawful practice: PROVIDED, HOWEVER, That a motor vehicle dealer may keep a separate trust account which equals

his or her customary total customer deposits for vehicles for future delivery. For purposes of this section, "on deposit" funds received from a purchaser of a manufactured home means those funds that a seller requires a purchaser to advance before ordering the manufactured home, but does not include any loan proceeds or moneys that might have been paid on an installment contract.

(10) For a dealer or manufacturer to fail to comply with the obligations of any written warranty or guarantee given by the dealer or manufacturer requiring the furnishing of goods and services or repairs within a reasonable period of time, or to fail to furnish to a purchaser or lessee, all parts which attach to the manufactured unit including but not limited to the undercarriage, and all items specified in the terms of a sales or lease agreement signed by the seller and buyer or lessee.

(11) For a vehicle dealer to pay to or receive from any person, firm, partnership, association, or corporation acting, either directly or through a subsidiary, as a buyer's agent for consumers, any compensation, fee, purchase moneys or funds that have been deposited into or withdrawn out of any account controlled or used by any buyer's agent, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle.

(12) For a buyer's agent, acting directly or through a subsidiary, to pay to or to receive from any motor vehicle dealer any compensation, fee, gratuity, or reward in connection with the purchase, sale, or lease of a new motor vehicle. In addition, it is unlawful for any buyer's agent to engage in any of the following acts on behalf of or in the name of the consumer:

(a) Receiving or paying any purchase moneys or funds into or out of any account controlled or used by any buyer's agent;

(b) Signing any vehicle purchase orders, sales contracts, leases, odometer statements, or title documents, or having the name of the buyer's agent appear on the vehicle purchase order, sales contract, lease, or title; or

(c) Signing any other documentation relating to the purchase, sale, lease, or transfer of any new motor vehicle.

It is unlawful for a buyer's agent to use a power of attorney obtained from the consumer to accomplish or effect the purchase, sale, lease, or transfer of ownership documents of any new motor vehicle by any means which would otherwise be prohibited under (a) through (c) of this subsection. However, the buyer's agent may use a power of attorney for physical delivery of motor vehicle license plates to the consumer.

Further, it is unlawful for a buyer's agent to engage in any false, deceptive, or misleading advertising, disseminated in any manner whatsoever, including but not limited to making any claim or statement that the buyer's agent offers, obtains, or guarantees the lowest price on any motor vehicle or words to similar effect.

(13) For a buyer's agent to arrange for or to negotiate the purchase, or both, of a new motor vehicle through an out-of-state dealer without disclosing in writing to the customer that the new vehicle would not be subject to chapter 19.118 RCW. This subsection also applies to leased vehicles. In addition, it is unlawful for any buyer's agent to fail to have a written agreement with the customer that: (a) Sets forth the terms of the parties' agreement; (b) discloses to the customer the total amount of any fees or other compensation being paid by the customer to the buyer's agent for the agent's services; and (c) further discloses whether the fee or any portion of the fee is refundable.

(14) Being a manufacturer, other than a motorcycle manufacturer governed by chapter 46.93 RCW, to:

(a) Coerce or attempt to coerce any vehicle dealer to order or accept delivery of any vehicle or vehicles, parts or accessories, or any other commodities which have not been voluntarily ordered by the vehicle dealer: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute coercion;

(b) Cancel or fail to renew the franchise or selling agreement of any vehicle dealer doing business in this state without fairly compensating the dealer at a fair going business value for his or her capital investment which shall include but not be limited to tools, equipment, and parts inventory possessed by the dealer on the day he or she is notified of such cancellation or termination and which are still within the dealer's possession on the day the cancellation or termination is effective, if: (i) The capital investment has been entered into with reasonable and prudent business judgment for the purpose of fulfilling the franchise; and (ii) the cancellation or nonrenewal was not done in good faith. Good faith is defined as the duty of each party to any franchise to act in a fair and equitable manner towards each other, so as to guarantee one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: PROVIDED, That recommendation, endorsement, exposition, persuasion, urging, or argument are not deemed to constitute a lack of good faith;

(c) Encourage, aid, abet, or teach a vehicle dealer to sell or lease vehicles through any false, deceptive, or misleading sales or financing practices including but not limited to those practices declared unlawful in this section;

(d) Coerce or attempt to coerce a vehicle dealer to engage in any practice forbidden in this section by either threats of actual cancellation or failure to renew the dealer's franchise agreement;

(e) Refuse to deliver any vehicle publicly advertised for immediate delivery to any duly licensed vehicle dealer having a franchise or contractual agreement for the retail sale or lease of new and unused vehicles sold or distributed by such manufacturer within sixty days after such dealer's order has been received in writing unless caused by inability to deliver because of shortage or curtailment of material, labor, transportation, or utility services, or by any labor or production difficulty, or by any cause beyond the reasonable control of the manufacturer;

(f) To provide under the terms of any warranty that a purchaser or lessee of any new or unused vehicle that has been sold or leased, distributed for sale or lease, or transferred into this state for resale or lease by the vehicle manufacturer may only make any warranty claim on any item included as an integral part of the vehicle against the manufacturer of that item.

Nothing in this section may be construed to impair the obligations of a contract or to prevent a manufacturer, distributor, representative, or any other person, whether or not licensed under this chapter, from requiring performance of a written contract entered into with any licensee hereunder, nor does the requirement of such performance constitute a violation of any of the provisions of this section if any such contract or the terms thereof requiring performance, have been freely entered into and executed between the contracting parties. This paragraph and subsection (14)(b) of this section do not apply to new motor vehicle manufacturers governed by chapter 46.96 RCW.

(15) Unlawful transfer of an ownership interest in a motor vehicle as defined in RCW 19.116.050.

(16) To knowingly and intentionally engage in collusion with a registered owner of a vehicle to repossess and return or resell the vehicle to the registered owner in an attempt to avoid a suspended license impound under chapter 46.55 RCW. However, compliance with chapter 62A.9A RCW in repossessing, selling, leasing, or otherwise disposing of the vehicle, including providing redemption rights to the debtor, is not a violation of this section.

(17)(a) For a dealer to enter into a new motor vehicle sales contract without disclosing in writing to a buyer of the new motor vehicle, or to a dealer in the case of an unregistered motor vehicle, any known damage and repair to the new motor vehicle if the damage exceeds five percent of the manufacturer's suggested retail price as calculated at the dealer's authorized warranty rate for labor and parts, or one thousand dollars, whichever amount is greater. A manufacturer or new motor vehicle dealer is not required to disclose

to a dealer or buyer that glass, tires, bumpers, or cosmetic parts of a new motor vehicle were damaged at any time if the damaged item has been replaced with original or comparable equipment. A replaced part is not part of the cumulative damage required to be disclosed under this subsection.

(b) A manufacturer is required to provide the same disclosure to a dealer of any known damage or repair as required in (a) of this subsection.

(c) If disclosure of any known damage or repair is not required under this section, a buyer may not revoke or rescind a sales contract due to the fact that the new motor vehicle was damaged and repaired before completion of the sale.

(d) As used in this section:

(i) "Cosmetic parts" means parts that are attached by and can be replaced in total through the use of screws, bolts, or other fasteners without the use of welding or thermal cutting, and includes windshields, bumpers, hoods, or trim panels.

(ii) "Manufacturer's suggested retail price" means the retail price of the new motor vehicle suggested by the manufacturer, and includes the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the new motor vehicle dealer that is not included within the retail price suggested by the manufacturer for the new motor vehicle.

**NEW SECTION. Sec. 9.** A new section is added to chapter 46.68 RCW to read as follows:

The public transportation grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for grants to aid transit authorities with operations.

**NEW SECTION. Sec. 10.** A new section is added to chapter 46.17 RCW to read as follows:

(1) Before accepting an application for an annual vehicle registration renewal for an electric vehicle that uses propulsion units powered solely by electricity, the department, county auditor or other agent, or subagent appointed by the director must require the applicant to pay a one hundred dollar fee in addition to any other fees and taxes required by law. The one hundred dollar fee is due only at the time of annual registration renewal.

(2) This section only applies to:

(a) A vehicle that is designed to have the capability to drive at a speed of more than thirty-five miles per hour; and

(b) An annual vehicle registration renewal that is due on or after February 1, 2013.

(3)(a) The fee under this section is imposed to provide funds to mitigate the impact of vehicles on state roads and highways and for the purpose of evaluating the feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system, and is separate and distinct from other vehicle license fees. Proceeds from the fee must be used for highway purposes, and must be deposited in the motor vehicle fund created in RCW 46.68.070, subject to (b) of this subsection.

(b) If in any year the amount of proceeds from the fee collected under this section exceeds one million dollars, the excess amount over one million dollars must be deposited as follows:

(i) Seventy percent to the motor vehicle fund created in RCW 46.68.070;

(ii) Fifteen percent to the transportation improvement account created in RCW 47.26.084; and

(iii) Fifteen percent to the rural arterial trust account created in RCW 36.79.020.

**NEW SECTION. Sec. 11.** Section 10 of this act expires on the effective date of legislation enacted by the legislature that imposes a vehicle miles traveled fee or tax.

**NEW SECTION. Sec. 12.** The department of licensing must provide written notice of the expiration date of section 10 of this act

to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

**Sec. 13.** RCW 46.10.420 and 2010 c 161 s 231 are each amended to read as follows:

(1) Each dealer of snowmobiles in this state shall obtain a snowmobile dealer license from the department in a manner prescribed by the department. Upon receipt of an application for a snowmobile dealer's license and the fee provided in subsection (2) of this section, the dealer is licensed and a snowmobile dealer license number must be assigned.

(2) The annual license fee for a snowmobile dealer is twenty-five dollars, which covers all of the snowmobiles offered by a dealer for sale and not rented on a regular, commercial basis. Snowmobiles rented on a regular commercial basis by a snowmobile dealer must be registered separately under RCW 46.10.310, 46.10.400, 46.10.430, and 46.10.440.

(3) Upon the issuance of a snowmobile dealer license, a snowmobile dealer may purchase, at a cost to be determined by the department, snowmobile dealer license plates of a size and color to be determined by the department. The snowmobile dealer license plates must contain the snowmobile license number assigned to the dealer. Each snowmobile operated by a dealer, dealer representative, or prospective customer for the purposes of demonstration or testing shall display snowmobile dealer license plates in a clearly visible manner.

(4) Only a dealer, dealer representative, or prospective customer may display a snowmobile dealer plate, and only a dealer, dealer representative, or prospective customer may use a snowmobile dealer's license plate for the purposes described in subsection (3) of this section.

(5) Snowmobile dealer licenses are nontransferable.

(6) It is unlawful for any snowmobile dealer to sell a snowmobile at wholesale or retail, or to test or demonstrate any snowmobile, within the state, unless the dealer has a snowmobile dealer license as required under this section.

(7) When a snowmobile is sold by a snowmobile dealer, the dealer:

(a) Shall apply for licensing in the purchaser's name (~~within fifteen days following the sale~~) as provided by rules adopted by the department; and

(b) May issue a temporary license as provided by rules adopted by the department.

**Sec. 14.** RCW 46.12.675 and 2010 c 161 s 316 are each amended to read as follows:

(1) A security interest in a vehicle other than one held as inventory by a manufacturer or a dealer and for which a certificate of title is required is perfected only by:

(a) Complying with the requirements of RCW 46.12.660 or this section;

(b) Receipt by the department, county auditor or other agent, or subagent appointed by the director of:

(i) The existing certificate of title, if any;

(ii) An application for a certificate of title containing the name and address of the secured party; and

(iii) Payment of the required fees.

(2) A security interest is perfected when it is created if the secured party's name and address appear on the most recently issued certificate of title or, if not, it is created when the department, county auditor or other agent, or subagent appointed by the director receives the certificate of title or an application for a certificate of title and the fees required in subsection (1) of this section.

(3) If a vehicle is subject to a security interest when brought into this state, perfection of the security interest is determined by the law of the jurisdiction where the vehicle was when the security interest was attached, subject to the following:

(a) The security interest continues perfected in this state if the name of the secured party is shown on the existing certificate of title issued by that jurisdiction. The name of the secured party must be shown on the certificate of title issued for the vehicle by this state. The security interest continues perfected in this state when the department issues the certificate of title.

(b) If the security interest was not perfected under the law of the jurisdiction where the vehicle was when the security interest was attached, it may be perfected in this state. Perfection begins when the department receives the information and fees required in subsection (1) of this section.

(4)(a) After a certificate of title has been issued, the registered owner or secured party must apply to the department, county auditor or other agent, or subagent appointed by the director for a new certificate of title when a security interest is granted on a vehicle. Within ten days after creating a security agreement, the registered owner or secured party must submit:

(i) An application for a certificate of title;

(ii) The certificate of title last issued for the vehicle, or other documentation required by the department; and

(iii) The fee required in RCW 46.17.100.

(b) If satisfied that a certificate of title should be reissued, the department shall change the vehicle record and issue a new certificate of title to the secured party.

(5) A secured party shall release the security interest when the conditions within the security agreement have been met and there is no further secured obligation. The secured party must either:

(a) Assign the certificate of title to the registered owner or the registered owner's designee and send the certificate of title to the department, county auditor or other agent, or subagent appointed by the director with the fee required in RCW 46.17.100; or

(b) Assign the certificate of title to the person acquiring the vehicle from the registered owner with the registered owner's release of interest.

(6) The department shall issue a new certificate of title to the registered owner when the department receives the release of interest and required fees as provided in subsection (5)(a) of this section.

(7) A secured party is liable for one hundred dollars payable to the registered owner or person acquiring the vehicle from the registered owner when:

(a) The secured party fails to either assign the certificate of title to the registered owner or to the person acquiring the vehicle from the registered owner or apply for a new certificate of title within ten days after proper demand; and

(b) The failure of the secured party to act as described in (a) of this subsection results in a loss to the registered owner or person acquiring the vehicle from the registered owner.

**Sec. 15.** RCW 46.16A.320 and 2010 c 161 s 425 are each amended to read as follows:

(1)(a) A vehicle owner may operate an unregistered vehicle on public highways under the authority of a trip permit issued by this state. For purposes of trip permits, a vehicle is considered unregistered if:

(i) Under reciprocal relations with another jurisdiction, the owner would be required to register the vehicle in this state;

(ii) Not registered when registration is required under this chapter;

(iii) The license tabs have expired; or

~~((iii))~~ (iv) The current gross weight license is insufficient for the load being carried. The licensed gross weight may not exceed eighty thousand pounds for a combination of vehicles or forty thousand pounds for a single unit vehicle with three or more axles.

(b) Trip permits are required to move mobile homes or park model trailers and may only be issued if property taxes are paid in full.

(2) Trip permits may not be:

(a) Issued to vehicles registered under RCW 46.16A.455(5) in lieu of further registration within the same registration year; or

(b) Used for commercial motor vehicles owned by a motor carrier subject to RCW 46.32.080 if the motor carrier's department of transportation number has been placed out of service by the Washington state patrol. A violation of or a failure to comply with this subsection is a gross misdemeanor, subject to a minimum monetary penalty of two thousand five hundred dollars for the first violation and five thousand dollars for each subsequent violation.

(3)(a) Each trip permit authorizes the operation of a single vehicle at the maximum legal weight limit for the vehicle for a period of three consecutive days beginning with the day of first use. No more than three trip permits may be used for any one vehicle in any thirty consecutive day period. No more than two trip permits may be used for any one recreational vehicle, as defined in RCW 43.22.335, in a one-year period. Every trip permit must:

- (i) Identify the vehicle for which it is issued;
- (ii) Be completed in its entirety;
- (iii) Be signed by the operator before operation of the vehicle on the public highways of this state;
- (iv) Not be altered or corrected. Altering or correcting data on the trip permit invalidates the trip permit; and
- (v) Be displayed on the vehicle for which it is issued as required by the department.

(b) Vehicles operating under the authority of trip permits are subject to all laws, rules, and regulations affecting the operation of similar vehicles in this state.

(4) Prorate operators operating commercial vehicles on trip permits in Washington shall retain the customer copy of each permit for four years.

(5) Trip permits may be obtained from field offices of the department of transportation, department of licensing, county auditors or other agents, and subagents appointed by the department for the fee provided in RCW 46.17.400(1)(h). Exchanges, credits, or refunds may not be given for trip permits after they have been purchased.

(6) Except as provided in subsection (2)(b) of this section, a violation of or a failure to comply with this section is a gross misdemeanor.

(7) The department may adopt rules necessary to administer this section.

**Sec. 16.** RCW 88.02.640 and 2011 c 326 s 5, 2011 c 171 s 134, and 2011 c 169 s 1 are each reenacted and amended to read as follows:

(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

FEE	AMOUNT	AUTHORITY	DISTRIBUTION
(a) Dealer temporary permit	\$5.00	RCW 88.02.800(2)	General fund
(b) Derelict vessel and invasive species removal	Subsection (3) of this section	Subsection (3) of this section	Subsection (3) of this section
(c) Derelict vessel removal surcharge	\$1.00	Subsection (4) of this section	Subsection (4) of this section
(d) Duplicate certificate of title	\$1.25	RCW 88.02.530(1)(c)	General fund
(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund

<del>((e))</del> (f) Filing	RCW 46.17.005	RCW <del>((46.17.005))</del> 88.02.560(2)	RCW 46.68.400
<del>((f))</del> (g) License plate technology	RCW 46.17.015	RCW <del>((46.17.015))</del> 88.02.560(2)	RCW 46.68.370
<del>((g))</del> (h) License service	RCW 46.17.025	RCW <del>((46.17.025))</del> 88.02.560(2)	RCW 46.68.220
<del>((h))</del> (i) Nonresident vessel permit	\$25.00	RCW 88.02.620(3)	Subsection (5) of this section
<del>((i))</del> (j) Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this section
<del>((j))</del> (k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
<del>((k))</del> (l) Replacement decal	\$1.25	RCW 88.02.595(1)(c)	General fund
<del>((l))</del> (m) Title application	\$5.00	RCW 88.02.515	General fund
<del>((m))</del> (n) Transfer	\$1.00	RCW 88.02.560(7)	General fund
<del>((n))</del> (o) Vessel visitor permit	\$30.00	RCW 88.02.610(3)	Subsection (6) of this section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

(3)(a) The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:

- (i) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;
- (ii) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667;
- (iii) Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and
- (iv) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.

(b) If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches one million dollars as of March 1st of any year, the collection of the two dollars of the derelict vessel and invasive species removal fee that is deposited into the derelict vessel removal account as authorized in (a)(iv) of this subsection must be suspended for the following fiscal year.

(4) Until January 1, 2014, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge:

- (a) Is to address the significant backlog of derelict vessels accumulated in Washington state waters that pose a threat to the health and safety of the people and to the environment;
- (b) Is to be used only for the removal of vessels that are less than seventy-five feet in length; and
- (c) Must be deposited into the derelict vessel removal account created in RCW 79.100.100.

(5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to

counties by the state treasurer for approved boating safety programs under RCW 88.02.650.

(6) The thirty dollar vessel visitor permit fee must be distributed as follows:

(a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;

(b) The department may keep an amount to cover costs for providing the vessel visitor permit;

(c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and

(d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.

(7)(a) The fifty dollar quick title service fee must be distributed as follows:

(i) If the fee is paid to the director, the fee must be deposited to the general fund.

(ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.

(b) For the purposes of this subsection, "quick title" has the same meaning as in RCW 88.02.540.

**NEW SECTION. Sec. 17.** Sections 1 through 12 of this act take effect October 1, 2012.

**NEW SECTION. Sec. 18.** Section 9 of this act expires July 1, 2015."

Correct the title.

Representatives Clibborn and Armstrong spoke in favor of the adoption of the amendment.

Amendment (1401) was adopted.

The bill was ordered engrossed.

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

Representative Clibborn spoke in favor of the passage of the bill.

Representative Armstrong spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2660.

### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2660, and the bill passed the House by the following vote: Yeas, 56; Nays, 42; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Billig, Blake, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Short, Springer,

Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Wylie and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Smith, Taylor, Walsh, Warnick, Wilcox and Zeiger.

ENGROSSED HOUSE BILL NO. 2660, having received the necessary constitutional majority, was declared passed.

### STATEMENT FOR THE JOURNAL

I intended to vote NAY on Engrossed House Bill No. 2660.

Representative Short, 7th District

**HOUSE BILL NO. 2791, by Representatives Lytton, Jinkins, Ladenburg, Billig, Reykdal, Tharinger, Fitzgibbon, Hansen, Wylie, Moscoso, Roberts, Maxwell, Green, Santos, Carlyle, Ryu, Liias, Appleton, Hunt, Hasegawa, Ormsby, Orwall, Moeller and Kenney**

**Funding all-day kindergarten.**

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 Lytton, Billig, Maxwell, Jinkins, Eddy, Hasegawa, Sullivan and Santos spoke in favor of the passage of the bill.

Representatives Orcutt, Angel, Johnson, Dammeier, Ahern, Haler, Short, Rivers, Nealey, Klippert, Smith, Walsh, Taylor, Harris, Dahlquist, Rodne and Parker spoke against the passage of the bill.

There being no objection, House Rule 13 (C) was suspended allowing the House to work past 10:00 p.m.

### POINT OF PARLIAMENTARY INQUIRY

Representative Shea "Thank you Mr. Speaker, House Bill No. 2791 repeals a tax exemption, how many votes are required for final passage for this bill?"

### SPEAKER'S RULING

Mr. Speaker: "House Bill 2791 repeals the nonresident sales tax exemption and directs the funds raised by the repeal to the funding of all-day kindergarten. RCW 43.135.034 requires a supermajority vote of 2/3 of the members for final passage of a measure that "raises taxes". The bill before us raises revenue for general government purposes, specifically support of K-12 education, and is properly characterized as a tax under RCW 43.135.034. Final passage requires a 2/3<sup>rd</sup> supermajority, or 66 votes."

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of House Bill No. 2791.

**ROLL CALL**

The Clerk called the roll on the final passage of House Bill No. 2791, and the bill passed the House by the following vote: Yeas, 51; Nays, 47; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Billig, Carlyle, Clibborn, Cody, Darneille, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Jinkins, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Roberts, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Tharinger, Upthegrove, Van De Wege and Mr. Speaker.

Voting nay: Representatives Ahern, Alexander, Anderson, Angel, Armstrong, Asay, Bailey, Blake, Buys, Chandler, Condotta, Crouse, Dahlquist, Dammeier, DeBolt, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Hurst, Johnson, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet, Parker, Pearson, Probst, Rivers, Rodne, Ross, Schmick, Shea, Short, Smith, Takko, Taylor, Walsh, Warnick, Wilcox, Wylie and Zeiger.

HOUSE BILL NO. 2791, having received a constitutional majority but having failed to receive the statutorily required 2/3<sup>rd</sup> supermajority, was declared failed.

**SUBSTITUTE SENATE BILL NO. 6277, by Senate Committee on Ways & Means (originally sponsored by Senators Conway, Becker, Kastama, Schoesler, Kilmer, Kohl-Welles and Regala)**

**Creating authority for counties to exempt from property taxation new and rehabilitated multiple-unit dwellings in certain unincorporated urban centers.**

The bill was read the second time.

Representative Hunter moved the adoption of amendment (1394).

On page 1, line 11, strike "and counties"

On page 1, line 13, strike "or county"

On page 2, line 4, after "affordable housing," insert "It is an additional purpose of this chapter to allow certain counties to stimulate housing opportunities near college campuses to promote dense, transit-oriented, walkable college communities."

Representative Hunter spoke in favor of the adoption of the amendment.

Amendment (1394) was adopted.

Representative Darneille moved the adoption of amendment (1376).

On page 4, beginning on line 3, after "plan." strike all material through "RCW 36.70A.110." on line 6

On page 4, line 17, after "systems;" strike "~~((and))~~" and insert "and"

On page 4, beginning on line 20, after "use" strike all material through "section" on line 24

On page 5, line 32, after "available;" strike "and" and insert "~~((and))~~"

On page 5, line 36, after "chapter" insert "; and (d) If the residential targeted area is designated by a county, the area must be located in an unincorporated area of the county that is

within an urban growth area under RCW 36.70A.110 and the area must include a campus of an institution of higher education, as defined in RCW 28B.92.030, where at least one thousand two hundred students live on campus during the academic year"

On page 8, line 16, after "plan" strike all material through "(d)" and insert ", except as provided in RCW 84.14.040(1)(d)"

Representatives Darneille and Dammeier spoke in favor of the adoption of the amendment.

Amendment (1376) was adopted.

Representative Ladenburg moved the adoption of amendment (1392).

On page 7, line 5, after "(1)(a)(ii)(B)" insert ". For any multi-unit housing located in an unincorporated area of a county, a property owner seeking tax incentives under this chapter must commit to renting or selling at least twenty percent of the multi-family housing units as affordable housing units to low-and moderate-income households. In the case of multi-unit housing intended exclusively for owner occupancy, the minimum requirement of this subsection (6) may be satisfied solely through housing affordable to moderate-income households"

Representatives Ladenburg and Dammeier spoke in favor of the adoption of the amendment.

Amendment (1392) 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 Ladenburg, Haler and Alexander spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Substitute Senate Bill No. 6277, as amended by the House.

**ROLL CALL**

The Clerk called the roll on the final passage of Substitute Senate Bill No. 6277, as amended by the House, and the bill passed the House by the following vote: Yeas, 68; Nays, 30; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Angel, Appleton, Armstrong, Bailey, Billig, Blake, Buys, Clibborn, Cody, Dahlquist, Dammeier, Darneille, Dickerson, Dunshee, Eddy, Finn, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hunt, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Ladenburg, Liias, Lytton, Maxwell, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Parker, Pearson, Pettigrew, Pollet, Probst, Rivers, Roberts, Ross, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Anderson, Asay, Carlyle, Chandler, Condotta, Crouse, DeBolt, Fagan, Fitzgibbon, Goodman, Hope, Hudgins, Hunter, Kretz, Kristiansen, McCoy, McCune, Overstreet, Pedersen, Reykdal, Rodne, Ryu, Schmick, Shea, Short, Smith, Taylor, Tharinger and Upthegrove.

SUBSTITUTE SENATE BILL NO. 6277, as amended by the House, having received the necessary constitutional majority, was declared passed.

### STATEMENT FOR THE JOURNAL

I intended to vote NAY on Substitute Senate Bill No. 6277.  
Representative Maxwell, 41st District

### THIRD READING

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate refuses to concur in the House amendment to SUBSTITUTE SENATE BILL NO. 6284 and asks the House to recede therefrom, and the same is herewith transmitted.

Brad Hendrickson, Deputy Secretary

#### HOUSE AMENDMENT TO SENATE BILL

There being no objection, the House receded from its amendment to SUBSTITUTE SENATE BILL NO. 6284.

**ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6284, by Senate Committee on Transportation (originally sponsored by Senators Kline, Harper, Litzow, Kohl-Welles, Keiser and Hargrove).**

**Reforming Washington's approach to certain nonsafety civil traffic infractions by authorizing a civil collection process for unpaid traffic fines and removing the requirement for law enforcement intervention for the failure to appear and pay a traffic ticket.**

The bill was read the third time.

Representatives Clibborn and Armstrong spoke in favor of the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 6284.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 6284, and the bill passed the House by the following vote: Yeas, 69; Nays, 29; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Finn, Fitzgibbon, Goodman, Green, Haigh, Hansen, Hasegawa, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Ladenburg, Liias, Lytton, Maxwell, McCoy, Miloscia, Moeller, Morris, Moscoso, Ormsby, Orwall, Pedersen, Pettigrew, Pollet, Reykdal, Roberts, Ross, Ryu, Santos, Seaquist, Sells, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Asay, Buys, Condotta, Crouse, Dahlquist, Fagan, Haler, Hargrove, Harris, Hinkle, Hope, Klippert, Kretz, Kristiansen, McCune, Nealey, Orcutt, Overstreet,

Parker, Pearson, Probst, Rivers, Rodne, Schmick, Shea, Short, Smith and Taylor.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 6284, having received the necessary constitutional majority, was declared passed.

#### MESSAGE FROM THE SENATE

March 8, 2012

Mr. Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 2262 with the following amendment:

On page 1, line 14, after "legislature", strike all material through "RCW 74.08A.260" on line 15

and the same is herewith transmitted.

Brad Hendrickson, Deputy, Secretary

#### SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 2262 and advanced the bill as amended by the Senate to final passage.

#### FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

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

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2262, as amended by the Senate.

#### ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2262, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Ahern, Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Buys, Carlyle, Chandler, Clibborn, Cody, Condotta, Crouse, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon, Goodman, Green, Haigh, Haler, Hansen, Hargrove, Harris, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kretz, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Orcutt, Ormsby, Orwall, Overstreet, Parker, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Rodne, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Shea, Short, Smith, Springer, Stanford, Sullivan, Takko, Taylor, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

ENGROSSED HOUSE BILL NO. 2262, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

#### SIGNED BY THE SPEAKER

The Speaker signed the following bills:

ENGROSSED HOUSE BILL NO. 1398  
 SUBSTITUTE HOUSE BILL NO. 2139  
 SUBSTITUTE HOUSE BILL NO. 2149  
 SUBSTITUTE HOUSE BILL NO. 2357  
 SECOND SUBSTITUTE HOUSE BILL NO. 2443  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.  
 2483  
 ENGROSSED HOUSE BILL NO. 2509  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.  
 2536  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2571  
 HOUSE BILL NO. 2803  
 SECOND SUBSTITUTE SENATE BILL NO. 5355  
 SUBSTITUTE SENATE BILL NO. 5766  
 SUBSTITUTE SENATE BILL NO. 6135  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6150  
 SENATE BILL NO. 6159  
 ENGROSSED SUBSTITUTE SENATE BILL NO. 6383  
 SUBSTITUTE SENATE BILL NO. 6494  
 SUBSTITUTE SENATE BILL NO. 6600

The Speaker called upon Representative Moeller to preside.

#### MESSAGES FROM THE SENATE

March 8, 2012

MR. SPEAKER:

The President has signed:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5539  
 SENATE BILL NO. 5950  
 SUBSTITUTE SENATE BILL NO. 6073

and the same are herewith transmitted.

Thomas Hoemann, Secretary  
 March 8, 2012

MR. SPEAKER:

The Senate has passed:

ENGROSSED HOUSE BILL NO. 2660  
 and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary  
 March 8, 2012

MR. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5978  
 SUBSTITUTE SENATE BILL NO. 6492

and the same are herewith transmitted.

Thomas Hoemann, Secretary  
 March 8, 2012

MR. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2571  
 and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 8, 2012

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE HOUSE BILL NO. 2139  
 SUBSTITUTE HOUSE BILL NO. 2357

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary  
 March 8, 2012

MR. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

SENATE BILL NO. 5950

and the same are herewith transmitted.

Brad Hendrickson, Deputy Secretary  
 March 8, 2012

MR. SPEAKER:

The Senate has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE HOUSE BILL NO. 2190, and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

Thomas Hoemann, Secretary

#### THIRD READING

#### CONFERENCE COMMITTEE REPORT

March 8, 2012

Engrossed Substitute House Bill No. 2190

Includes "New Item": YES

Mr. Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SUBSTITUTE HOUSE BILL NO. 2190, making 2011-2013 supplemental transportation appropriations, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment (S-5304.4/12) be adopted and that (S-5304.4/12) be further amended as follows:

Strike everything after the enacting clause and insert the following:

#### "2011-2013 FISCAL BIENNIUM

#### GENERAL GOVERNMENT AGENCIES--OPERATING

**Sec. 101.** 2011 c 367 s 101 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Motor Vehicle Account--State Appropriation (~~(\$430,000)~~  
 \$416,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is provided solely for staffing costs to be dedicated to state transportation activities. Staff hired to support transportation activities must have practical experience with complex construction projects.

**Sec. 102.** 2011 c 367 s 103 (uncodified) is amended to read as follows:

## FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Account--State Appropriation (~~(\$2,216,000)~~)

\$2,128,000

Puget Sound Ferry Operations Account--State

Appropriation (~~(\$4,624,000)~~)

\$1,260,000

Multimodal Transportation Account--State  
Appropriation \$350,000TOTAL APPROPRIATION (~~(\$6,840,000)~~)

\$3,738,000

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

(1) The office of financial management, in consultation with the transportation committees of the legislature, shall conduct a budget evaluation study for the new traffic management center proposed by the department of transportation. The study must consider data resulting from the plan identified in section 604 of this act. The budget evaluation study team approach using value engineering techniques must be utilized by the office of financial management in conducting the study. The office of financial management shall select the budget evaluation study team members, contract for the study, and report the results to the transportation committees of the legislature and the department of transportation in a timely manner following the study. Options reviewed must include use of existing facilities, including the Wheeler building data center in Olympia. Funds allocated for the new traffic management center must be used by the office of financial management through an interagency agreement with the department of transportation to cover the cost of the study.

(2) (~~(\$4,480,000 of the Puget Sound ferry operations account--state appropriation is provided solely for marine insurance. The appropriation is intended to fully fund a two-year policy, and the office of financial management shall increase the deductible to \$10,000,000 and reduce components of the policy in order to keep the total cost of the two-year policy at or below the appropriation in this subsection.~~

(5)) \$1,116,000 of the Puget Sound ferry operations account--state appropriation is provided solely for marine insurance. The amount in this subsection as well as the amount in section 103(2) of this act is intended to fully fund a two-year policy. For fiscal year 2012, the office of financial management shall increase the deductible to ten million dollars and reduce components of the policy in order to keep the total cost of the two-year policy at or below the appropriation in this subsection and section 103(2) of this act.

(3) \$840,000 of the motor vehicle account--state appropriation is provided out of funds set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3) solely for the office of financial management to contract with the Washington state association of counties to identify, evaluate, and implement performance measures associated with county transportation activities. The performance measures must include, at a minimum, those related to safety, system preservation, mobility, environmental protection, and project completion. A report on the county transportation performance implementation project must be provided to the transportation committees of the legislature by December 31, 2012.

~~((6))~~ (4) \$169,000 of the motor vehicle account--state appropriation is provided solely for the office of regulatory assistance integrated permitting project.

~~((7))~~ (5) \$40,000 of the Puget Sound ferry operations account--state appropriation is provided solely for the state's share of the marine salary survey.

~~((8))~~ (6) The office of financial management shall study the available data regarding statewide transit, bicycle, and pedestrian trips and recommend additional performance measures that will effectively measure the state's performance in increasing transit ridership and

bicycle and pedestrian trips. The office of financial management shall report its findings and recommendations to the transportation committees of the legislature by November 15, 2011, and integrate the new performance measures into the report prepared by the office of financial management pursuant to RCW 47.04.280 regarding progress towards achieving Washington state's transportation system policy goals.

(7) \$350,000 of the multimodal transportation account--state appropriation is provided solely for the office of financial management to contract with a statewide organization representing Washington cities and a statewide organization representing Washington counties to work with the Washington state governor's office of regulatory assistance to:

(a) Fulfill completion of recent iPRMT enhancements developed to consolidate applications and expedite local, state, and regional transportation and public works maintenance permitting related to (i) general hydraulic project approval permits issued consistent with section 103(3), chapter 247, Laws of 2010 and (ii) section 106 consultations completed under the national historic preservation act;

(b) Work with local, state, and regional transportation and public works maintenance agencies to continue to support development of iPRMT enhancements and customizations based on applicant needs; and

(c) Provide outreach and training to advance the state's interest in continuing to leverage iPRMT web infrastructure to support and accelerate local, regional, and state transportation and public works planning, permitting, and compliance.

(8) \$400,000 of the motor vehicle account--state appropriation is from the cities statewide fuel tax distributions under RCW 46.68.110(2) for the department of transportation to contract with the department of fish and wildlife to inventory, assess, and prioritize fish passage barriers associated with city roads and streets in the Puget Sound region. The department of transportation shall submit the results to the office of financial management and the transportation committees of the legislature by December 31, 2013.

(9) The office of financial management through the chief information officer shall conduct a technical review of the Washington state patrol's conversion to narrowbanding and the decision to utilize the United States department of justice's integrated wireless network for that transition. The technical review must include an analysis of whether the conversion constitutes an appropriate opportunity for the state to leverage existing infrastructure, mitigates any communication gaps, provides for a risk mitigation strategy, provides opportunities to move to future emerging technologies, and is consistent with the elements of the chief information officer's state technology strategy. The chief information officer must provide a report of findings to the joint transportation committee by September 1, 2012. The recommendations must include any essential elements of the conversion that are necessary to ensure the existence of a comprehensive, interoperable, and reliable communication system within the United States department of justice's integrated wireless network with appropriate risk mitigation plans in place.

**NEW SECTION. Sec. 103.** A new section is added to 2011 c 367 (uncodified) to read as follows:

## FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Motor Vehicle Account--State Appropriation \$462,000

Puget Sound Ferry Operations Account--State

Appropriation \$3,360,000

TOTAL APPROPRIATION \$3,822,000

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

(1) \$462,000 of the motor vehicle account--state appropriation is provided solely for the transportation executive information system.

(2) \$3,360,000 of the Puget Sound ferry operations account--state appropriation is provided solely for marine insurance. The amount in this subsection as well as the amount in section 102(2) of this act is intended to fully fund a two-year policy. For fiscal year 2013, the department of enterprise services shall increase the deductible to ten million dollars and reduce components of the policy in order to keep the total cost of the two-year policy at or below the appropriation in this subsection and section 102(2) of this act.

**NEW SECTION. Sec. 104.** A new section is added to 2011 c 367 (uncodified) to read as follows:

FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION  
Puget Sound Ferry Operations Account--State  
Appropriation \$75,000

The appropriation in this section is subject to the following conditions and limitations: \$75,000 of the Puget Sound ferry operations account--state appropriation is provided solely for implementing chapter 16, Laws of 2011 1st sp. sess. (Washington state ferry system). \$43,200 of the appropriation is provided solely for closing out the marine employees' commission lease agreement in fiscal year 2012, and the remainder of the appropriation is provided solely for costs associated with marine employees' commission commissioner payments and travel.

**Sec. 105.** 2011 c 367 s 105 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE  
Motor Vehicle Account--State Appropriation (~~(\$1,210,000)~~)  
\$1,185,000

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

(1) \$351,000 of the motor vehicle account--state appropriation is provided solely for costs associated with the motor fuel quality program.

(2) \$686,000 of the motor vehicle account--state appropriation is provided solely to test the quality of biofuel. The department must test fuel quality at the biofuel manufacturer, distributor, and retailer.

**Sec. 106.** 2011 c 367 s 106 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE EVALUATION AND  
ACCOUNTABILITY PROGRAM COMMITTEE  
Motor Vehicle Account--State Appropriation (~~(\$513,000)~~)  
\$494,000

### TRANSPORTATION AGENCIES--OPERATING

**Sec. 201.** 2011 c 367 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION  
Highway Safety Account--State Appropriation (~~(\$3,003,000)~~)  
\$2,983,000  
Highway Safety Account--Federal Appropriation (~~(\$42,625,000)~~)  
\$42,507,000  
Highway Safety Account--Private/Local Appropriation \$50,000  
School Zone Safety Account--State Appropriation \$3,340,000  
TOTAL APPROPRIATION (~~(\$49,018,000)~~)  
\$48,880,000

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

(1) \$1,673,900 of the highway safety account--federal appropriation is provided solely for the conclusion of the target zero trooper pilot program, which the commission has developed and

implemented in collaboration with the Washington state patrol. The pilot program must continue to demonstrate the effectiveness of intense, high visibility, driving under the influence enforcement in Washington. The commission shall continue to apply to the national highway traffic safety administration for federal highway safety grants to cover the cost of the pilot program. State funding is provided in section 207 of this act for the state patrol to continue the target zero trooper program in fiscal year 2013.

(2) The commission may oversee pilot projects implementing the use of automated traffic safety cameras to detect speed violations within cities west of the Cascade mountains that have a population over one hundred ninety-five thousand. For the purposes of pilot projects in this subsection, no more than one automated traffic safety camera may be used to detect speed violations within any one jurisdiction.

(a) The commission shall comply with RCW 46.63.170 in administering the pilot projects.

(b) In order to ensure adequate time in the 2011-2013 fiscal biennium to evaluate the effectiveness of the pilot projects, any projects authorized by the commission must be authorized by December 31, 2011.

(c) By January 1, 2013, the commission shall provide a report to the legislature regarding the use, public acceptance, outcomes, and other relevant issues regarding automated traffic safety cameras demonstrated by the pilot projects.

(3) \$460,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 (addressing DUI accountability). If chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(4) The commission shall conduct a review of the literature on potential safety benefits realized from drivers using their headlights and windshield wipers simultaneously and shall report to the transportation committees of the legislature by December 1, 2011.

(5) \$22,000,000 of the highway safety account--federal appropriation is provided solely for federal funds that may be obligated to the commission pursuant to 23 U.S.C. Sec. 164 during the 2011-2013 fiscal biennium.

**Sec. 202.** 2011 c 367 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD  
Rural Arterial Trust Account--State Appropriation (~~(\$948,000)~~)  
\$915,000  
Motor Vehicle Account--State Appropriation (~~(\$2,161,000)~~)  
\$2,088,000  
County Arterial Preservation Account--State  
Appropriation (~~(\$1,480,000)~~)  
\$1,428,000  
TOTAL APPROPRIATIONm (~~(\$4,589,000)~~)  
\$4,431,000

The appropriations in this section are subject to the following conditions and limitations: The county road administration board shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

**Sec. 203.** 2011 c 367 s 203 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account--State  
 Appropriation (~~(\$3,707,000)~~)  
 \$3,625,000

The appropriation in this section is subject to the following conditions and limitations: The transportation improvement board shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

**Sec. 204.** 2011 c 367 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE  
 Motor Vehicle Account--State Appropriation (~~(\$2,060,000)~~)  
 \$2,028,000

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

(1) \$200,000 of the motor vehicle account--state appropriation is for a study of Washington state ferries fares that recommends the most appropriate fare media for use with the reservation system and the implementation of demand management pricing and interoperability with other payment methods. The study must include direct collaboration with transportation commission members.

~~((3))~~ (2) \$200,000 of the motor vehicle account--state appropriation is from the cities statewide fuel tax distributions under RCW 46.68.110(2) for the joint transportation committee to study and make recommendations on RCW 90.03.525. The study must include: (a) An inventory of state highways subject to the federal clean water act (40 C.F.R. Parts 122 through 124) (national pollutant discharge elimination system) that are within city boundaries; (b) a survey of cities that impose storm water fees or charges to the department of transportation, or otherwise manage storm water runoff from state highways within their jurisdiction; (c) case studies from a representative cross-section of cities on how the department and cities have used RCW 90.03.525; and (d) recommendations on how to achieve efficiencies in the cost and management of state highway storm water runoff within cities under RCW 90.03.525.

~~((4))~~ (3) \$425,000 of the motor vehicle account--state appropriation is for the joint transportation committee to conduct a study to evaluate the potential for financing state transportation projects using public-private partnerships. The study must compare the costs, advantages, and disadvantages of various forms of public-private partnerships with conventional financing. Projects to be evaluated include Interstate 405, state route number 509, state route number 167, the Columbia River crossing, and the Monroe bypass. At a minimum, the study must identify the public interest in the financing and construction of transportation projects, the public interest in the operation of transportation projects, and the provisions in public-private partnership agreements that best protect the public interest. To the extent possible, the study must identify the lowest-cost and best-value model for each project that best protects the public interest. In addition, the study must evaluate whether public-private partnerships serve the defined public interest including, but not limited to, the advantage and disadvantage of risk allocation, the effects of private versus public financing on the state's bonding capacity, the state's ability to retain public ownership of the asset, the process that would allow for the most transparency during the negotiation of terms of a public-private partnership agreement, and the state's ability to oversee the private entity's management of the asset. The study must identify any barriers to the implementation of

funding models that best protect the public interest, including statutory and constitutional barriers. The committee shall issue a report of its evaluation to the house of representatives and senate transportation committees by December 16, 2011.

~~((5))~~ (4) \$100,000 of the motor vehicle account--state appropriation is for an investigation of the use of liquid natural gas on existing Washington state ferry vessels as well as the 144-car class vessels and report to the legislature by December 31, 2011.

(5) The joint transportation committee shall convene a study group to evaluate the most appropriate organization for the aviation search and rescue program, currently operating from the department of transportation's aviation division. The joint transportation committee shall invite a representative from the following organizations to participate in meetings in the city of Olympia: The aircraft owners and pilots association; the Washington pilots association; the Washington wing of the civil air patrol; the civil air patrol - United States air force; the Washington department of transportation, aviation division; the emergency management division of the military department; the Washington association of search and rescue; and the Washington state patrol. The committee shall issue a report of its findings to the legislature by December 14, 2012, to include the following information:

(a) Where should aviation search and rescue operations be located to provide the maximum benefit for these searches?

(b) How should the duplication of services and training be addressed?

(c) Is the current structure the best use of state and federal funding?

(d) If aviation search and rescue is relocated, what should be the source of funding?

(6) The joint transportation committee shall convene a series of meetings between representatives of the Washington state ferries and British Columbia ferries services as well as the respective shipyard contractors for new vessel construction for each system. The purpose of the meetings is to explore joint procurement of additional 144-car capacity ferry vessels for use in either ferry system. Benefits from this joint procurement include, but are not limited to, construction savings accruing to both ferry systems due to the economies of scale of purchasing multiple vessels, additional relief vessel capacity available to both ferry systems, and enhanced service on the international route connecting Washington and British Columbia.

(7) The Columbia River Crossing bridge project is a major initiative to address congestion problems on Interstate 5 between Portland, Oregon and Vancouver, Washington that requires support by not only the governors of both states but the legislatures as well. The joint transportation committee must convene a subcommittee for legislative oversight of the I-5/Columbia River Crossing bridge replacement project. The Columbia River Crossing legislative oversight subcommittee must be made up of six members, two appointed by the chair and ranking member of the senate transportation committee, two appointed by the chair and ranking member of the house of representatives transportation committee, one designee of the governor, and one citizen jointly appointed by the four members of the joint transportation executive committee. The citizen appointee must be a Washington state resident of the area served by the bridge. At least two of the legislative members must be from the legislative districts served by the bridge. In addition to reviewing project and financing information, the subcommittee must also coordinate with the Oregon legislative oversight committee for the Columbia River Crossing bridge.

(8)(a) The joint transportation committee shall convene a study group to evaluate the effectiveness, transparency, and priorities by which the department of transportation expends federal transportation funds. The study group must include representatives from the department of transportation, the office of financial management, and local representatives of the federal highway administration. The

study group shall make recommendations on how to:

(i) Make the process for programming federal funds more transparent;

(ii) Evaluate assumptions used to predict the availability of federal funds in future biennia and how those funds will be programmed between different federal funding programs;

(iii) Develop a process for linking statewide priorities to distributing federal funds from project savings and the redistribution of federal funds from other states; and

(iv) Develop a process for incorporating stakeholder feedback when developing federal grant and loan applications.

(b) The joint transportation committee shall issue a report of its evaluation to the house of representatives and senate transportation committees by December 16, 2012.

(9) Within the amounts provided in this section, the joint transportation committee shall conduct research to evaluate the fiscal health of public transportation in Washington. With the assistance of staff from the standing transportation committees of the legislature, the joint transportation committee shall collect and review known and conventional sources of transit financial and operational data as it pertains to Washington transit entities. The joint transportation committee shall evaluate changes to the fiscal and operational status of transit entities over the last fifteen years. The joint transportation committee shall compare fiscal results in aggregate during selected years of the time period examined with state funding for transportation in the same years. The joint transportation committee shall report its findings to the standing transportation committees of the legislature by December 1, 2012.

**Sec. 205.** 2011 c 367 s 205 (uncodified) is amended to read as follows:

**FOR THE TRANSPORTATION COMMISSION**

Motor Vehicle Account--State Appropriation (~~(\$2,142,000)~~)

\$3,028,000

Multimodal Transportation Account--State Appropriation \$112,000

**TOTAL APPROPRIATION (~~(\$2,254,000)~~)**

\$3,140,000

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

(1) Consistent with RCW 43.135.055, 47.60.290, and 47.60.315, during the 2011-2013 fiscal biennium, the legislature authorizes the transportation commission to periodically review and, if necessary, adjust the schedule of fares for the Washington state ferry system only in amounts not greater than those sufficient to generate the amount of revenue required by the biennial transportation budget. When adjusting ferry fares, the commission must consider input from affected ferry users by public hearing and by review with the affected ferry advisory committees, in addition to the data gathered from the current ferry user survey.

(2) Consistent with RCW 43.135.055 and 47.46.100, during the 2011-2013 fiscal biennium, the legislature authorizes the transportation commission to periodically review and, if necessary, adjust the schedule of toll charges applicable to the Tacoma Narrows bridge only in amounts not greater than those sufficient to support (a) any required costs for operating and maintaining the toll bridge, including the cost of insurance, (b) any amount required by law to meet the redemption of bonds and applicable interest payments, and (c) repayment of the motor vehicle fund.

~~((4))~~ (3) Consistent with its authority in RCW 47.56.840, the transportation commission shall consider the need for a citizen advisory group that provides oversight on new tolled facilities.

(4) \$775,000 of the motor vehicle account--state appropriation is provided solely to determine the feasibility of transitioning from the gas tax to a road user assessment system of paying for transportation.

(a) The transportation commission, with direction from the steering committee created in (b) of this subsection, must: Review

relevant reports and data related to models of road user assessments and methods of transitioning to a road user assessment system; analyze the research to identify issues for policy decisions in Washington; make recommendations for the design of systemwide trials; develop a plan to assess public perspectives and educate the public on the current transportation funding system and options for a new system; and perform other tasks as deemed necessary by the steering committee.

(b) The transportation commission must convene a steering committee to provide direction to and guide the transportation commission's work. Membership of the steering committee must include, but is not limited to, members representing the following interests: The trucking industry; business; cities and counties; public transportation; environmental; user fee technology; auto and light truck manufacturers; and the motoring public. In addition, a member from each of the two largest caucuses of the senate, appointed by the president of the senate, and a member from each of the two largest caucuses of the house of representatives, appointed by the speaker of the house of representatives, must serve on the steering committee.

(c) The transportation commission must update the governor and the legislature on this work by January 1, 2013. In addition, this update must include a plan and budget request for work to be completed during the 2013-2015 fiscal biennium.

(5) \$160,000 of the motor vehicle account--state appropriation is provided solely for the transportation commission to establish a statewide transportation survey panel and conduct two surveys on transportation funding and policy issues during the 2011-2013 fiscal biennium. At a minimum, the results of the first survey must be submitted to the legislature by January 2013.

**Sec. 206.** 2011 c 367 s 206 (uncodified) is amended to read as follows:

**FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD**

Motor Vehicle Account--State Appropriation (~~(\$702,000)~~)

\$781,000

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

(1) \$100,000 of the motor vehicle account--state appropriation is provided solely for an additional staff person for the freight mobility strategic investment board.

(2) The freight mobility strategic investment board shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

**Sec. 207.** 2011 c 367 s 207 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE PATROL**

(Vehicle Licensing Fraud Account--State Appropriation \$100,000))

Multimodal Transportation Account--State Appropriation \$132,000

Ignition Interlock Device Revolving Account--  
State Appropriation \$212,000

State Patrol Highway Account--State

Appropriation (~~(\$349,812,000)~~)

\$350,605,000

State Patrol Highway Account--Federal

Appropriation \$10,903,000

State Patrol Highway Account--Private/Local

Appropriation (~~(\$3,369,000)~~)

\$3,494,000

Highway Safety Account--State Appropriation \$432,000

TOTAL APPROPRIATION (~~(\$364,184,000)~~)  
\$365,778,000

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

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol. Cessna pilots funded from the state patrol highway account who are certified to fly the King Airs may pilot those aircraft for general fund purposes with the general fund reimbursing the state patrol highway account an hourly rate to cover the costs incurred during the flights since the aviation section is no longer part of the Washington state patrol cost allocation system as of July 1, 2009.

(2) The Washington state patrol shall continue to collaborate with the Washington traffic safety commission on the target zero trooper pilot program referenced in section 201(1) of this act.

(3) \$370,000 of the state patrol highway account--state appropriation is provided solely for costs associated with the pilot program described under section 216(5) of this act. The Washington state patrol may incur costs related only to the assignment of cadets and necessary computer equipment and to the reimbursement of the Washington state department of transportation for contract costs. The appropriation in this subsection must be funded from the portion of the automated traffic safety camera fines deposited into the state patrol highway account; however, if the fines deposited into the state patrol highway account from automated traffic safety camera infractions do not reach three hundred seventy thousand dollars, the department of transportation shall remit funds necessary to the Washington state patrol to ensure the completion of the pilot program. The Washington state patrol may not incur overtime as a result of this pilot program. The Washington state patrol shall not assign troopers to operate or deploy the pilot program equipment used in the roadway construction zones.

(4) (~~(\$12,655,000)~~) \$12,160,000 of the total appropriation is provided solely for automobile fuel in the 2011-2013 fiscal biennium. The Washington state patrol shall analyze their fuel consumption and submit a report to the legislative transportation committees by December 31, 2011, on fuel conservation methods that could be used to minimize costs and ensure that the Washington state patrol is managing fuel consumption effectively.

(5) (~~(\$7,421,000)~~) \$7,672,000 of the total appropriation is provided solely for the purchase of pursuit vehicles.

(6) (~~(\$6,611,000)~~) \$6,686,000 of the total appropriation is provided solely for vehicle repair and maintenance costs of vehicles used for highway purposes.

(7) \$1,724,000 of the total appropriation is provided solely for the purchase of mission vehicles used for highway purposes in the commercial vehicle and traffic investigation sections of the Washington state patrol.

(8) \$1,200,000 of the total appropriation is provided solely for outfitting officers. The Washington state patrol shall prepare a cost-benefit analysis of the standard trooper uniform as compared to a battle dress uniform and uniforms used by other states and jurisdictions. The Washington state patrol shall report the results of the analysis to the transportation committees of the legislature by December 1, 2011.

(9) The Washington state patrol shall not account for or record locally provided DUI cost reimbursement payments as expenditure credits to the state patrol highway account. The patrol shall report the amount of expected locally provided DUI cost reimbursements to the

office of financial management and transportation committees of the legislature by September 30th of each year.

(10) During the 2011-2013 fiscal biennium, the Washington state patrol shall continue to perform traffic accident investigations on Thurston county roads, and shall work with Thurston county to transition the traffic accident investigations on Thurston county roads to Thurston county by July 1, 2013.

(11) (~~(\$100,000 of the vehicle licensing fraud account--state appropriation is provided solely to support the transportation portion of the vehicle license fraud program during the 2011-2013 fiscal biennium)~~) \$2,187,000 of the state patrol highway account--state appropriation is provided solely for mobile office platforms.

(12) \$2,731,000 of the state patrol highway account--state appropriation is provided solely for the continuation of the target zero trooper program.

(13) \$432,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 (DUI accountability). If chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses. Additionally, the total highway safety account--state appropriation in this section assumes the revenue generated by the fees that the Washington state patrol is authorized to charge manufacturers, technicians, and other providers under Second Substitute House Bill No. 2443. Within the amounts provided in this subsection is funding for three additional troopers to provide oversight of the ignition interlock industry.

(14) \$212,000 of the ignition interlock device revolving account--state appropriation is provided solely for two additional troopers to provide oversight of the ignition interlock industry. If chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 is enacted by June 30, 2012, the amount provided in this subsection lapses.

(15) \$132,000 of the multimodal transportation account--state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 1820), Laws of 2012 (blue alert system). If chapter . . . (Engrossed Substitute House Bill No. 1820), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

**Sec. 208.** 2011 c 367 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account--State Appropriation \$32,000

Motorcycle Safety Education Account--State

Appropriation (~~(\$4,411,000)~~)

\$4,367,000

Wildlife Account--State Appropriation (~~(\$859,000)~~)

\$826,000

Highway Safety Account--State Appropriation (~~(\$149,904,000)~~)

\$148,666,000

Highway Safety Account--Federal Appropriation (~~(\$2,884,000)~~)

\$4,299,000

Highway Safety Account--Private/Local Appropriation \$200,000

Motor Vehicle Account--State Appropriation (~~(\$78,586,000)~~)

\$76,511,000

Motor Vehicle Account--Private/Local Appropriation (~~(\$1,721,000)~~)

\$1,714,000

Motor Vehicle Account--Federal Appropriation (~~(\$242,000)~~)

\$380,000

Department of Licensing Services Account--State

Appropriation (~~(\$5,815,000)~~)

\$6,095,000

Ignition Interlock Device Revolving Account--State

Appropriation (~~(\$1,315,000)~~)

\$1,971,000

TOTAL APPROPRIATION (~~(\$245,769,000)~~)

\$245,061,000

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

(1) ((\$62,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 5251), Laws of 2011 (electric vehicle fee). If chapter ... (Engrossed Substitute Senate Bill No. 5251), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

(2))) \$231,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter ... (Substitute Senate Bill No. 5800), Laws of 2011 (off-road motorcycles). If chapter ... (Substitute Senate Bill No. 5800), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

((~~(3)~~)) (2) \$193,000 of the department of licensing services account--state appropriation is provided solely for a phased implementation of chapter ... (Substitute House Bill No. 1046), Laws of 2011 (vehicle and vessel quick titles). Funding is contingent upon revenues associated with the vehicle and vessel quick title program paying all direct and indirect expenditures associated with the department's implementation of this subsection. If chapter ... (Substitute House Bill No. 1046), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

((4) The department may seek federal funds to implement a driver's license and identicard biometric matching system pilot program to verify the identity of applicants for, and holders of, drivers' licenses and identicards if applicants are provided the opportunity to opt out of participating in the program, which meets the requirement of RCW 46.20.037 that such a program be voluntary. If funds are received, the department shall report any benefits or problems identified during the course of the pilot program to the transportation committees of the legislature upon the completion of the program.

(5) \$1,938,000)) (3) \$4,299,000 of the highway safety account--federal appropriation is for federal funds that may be received during the 2011-2013 fiscal biennium. Upon receipt of the funds, the department shall provide a report on the use of the funds to the transportation committees of the legislature and the office of financial management.

((~~(6)~~)) (4) By December 31, 2011, the department shall submit to the office of financial management and the transportation committees of the legislature draft legislation that rewrites the tow truck statutes (chapter 46.55 RCW) in plain language and is revenue and policy neutral.

((~~(7)~~)) (5) \$128,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute House Bill No. 1635), Laws of 2011 (driver's license exams). If chapter ... (Engrossed Substitute House Bill No. 1635), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

((~~(8)~~)) (6) \$68,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 (~~(driving under the influence)~~) (addressing DUI accountability). If chapter ... (Engrossed Second Substitute House Bill No. 1789), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

((~~(9)~~)) (7) \$63,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Substitute House Bill No. 1237), Laws of 2011 (selective service system). If chapter ... (Substitute House Bill No. 1237), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

((~~(10)~~)) (8) \$340,000 of the motor vehicle account--private/local appropriation is provided solely for the implementation of chapter ...

(Engrossed Substitute Senate Bill No. 5457), Laws of 2011 (congestion reduction charge). If chapter ... (Engrossed Substitute Senate Bill No. 5457), Laws of 2011 is not enacted by June 30, 2011, the amount provided in this subsection lapses.

((~~(12)~~)) (9) \$1,738,000 of the department of licensing services account--state appropriation is provided solely for purchasing equipment for field licensing service offices and subagent offices.

(10) \$2,500,000 of the highway safety account--state appropriation is provided solely for information technology field system modernization.

(11) \$963,000 of the highway safety account--state appropriation is provided solely for implementation of chapter 374, Laws of 2011 (limousine carriers) and chapter 298, Laws of 2011 (master license service program).

(12) \$99,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter ... (Substitute House Bill No. 2299), Laws of 2012 (special license plates). If chapter ... (Substitute House Bill No. 2299), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(13) \$174,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Substitute Senate Bill No. 6075), Laws of 2012 (vehicle owner information). If chapter ... (Substitute Senate Bill No. 6075), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses. Additionally, the total appropriation in this section assumes the revenue generated by the fee established in Substitute Senate Bill No. 6075. Within the amounts provided in this subsection, the department must improve on the information that the department makes publicly available to victims of domestic violence and sexual assault on how to better protect their personal information, especially their residential addresses. Specifically, the department must provide a link to the secretary of state's address confidentiality program web site. The department also must provide information regarding a person's ability to provide a mailing address in addition to the person's residential address when registering a vehicle with the department.

(14) \$289,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6150), Laws of 2012 (facial recognition matching system). If chapter ... (Engrossed Substitute Senate Bill No. 6150), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(15) \$397,000 of the highway safety account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6284), Laws of 2012 (civil traffic infractions). If chapter ... (Engrossed Substitute Senate Bill No. 6284), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses. Additionally, the total highway safety account--state appropriation in this section assumes the revenue generated by the policy changes in chapter ... (Engrossed Substitute Senate Bill No. 6284), Laws of 2012.

(16) \$222,000 of the motor vehicle account--state appropriation and \$36,000 of the highway safety account--state appropriation are provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6455), Laws of 2012 (transportation revenue). If chapter ... (Engrossed Substitute Senate Bill No. 6455), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(17) \$274,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter ... (Engrossed Substitute Senate Bill No. 6582), Laws of 2012 (local transportation revenue options). If chapter ... (Engrossed Substitute Senate Bill No. 6582), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(18) Within the amounts provided in this section, the department must develop a transition plan for moving to a paperless renewal

notice for drivers' licenses and vehicle registrations. The plan must consider people that do not have access to the internet and must include an opportunity for people to opt-in to a paper renewal notice. Prior to the implementation of a paperless renewal system, the department must consult with the joint transportation committee.

(19) Within existing resources, the department shall develop a plan to transition to a ten-year license plate replacement cycle. At a minimum, the plan must include the following provisions: (a) A ten-year replacement cycle for license plates only on vehicles that are subject to annual vehicle registration renewal; (b) a requirement that new license plates and registration, including all fees and taxes due upon annual registration, are required when a vehicle changes ownership, except when a vehicle is sold to a vehicle dealer for resale, in which case they are due only when the dealer sells the vehicle; (c) an original issue license plate fee that is equal to the current license plate replacement fee; and (d) an estimate of the plan's costs to implement and revenues generated. The department shall submit the plan with draft legislation implementing the plan to the transportation committees of the legislature by December 31, 2012.

(20) Consistent with RCW 43.135.055 and 43.24.086, during the 2011-2013 fiscal biennium, the legislature authorizes the department to adjust the business and vehicle fees for the for hire licensing program in amounts sufficient to recover the costs of administering the for hire licensing program.

(21) The legislature intends to establish a veteran designation for drivers' licenses and identicards issued under chapter 46.20 RCW, as proposed under House Bill No. 2378, during the 2013 legislative session. The designation would serve to establish a person's service in the armed forces and be granted to a person who provides a United States department of defense discharge document, DD Form 214, that shows a discharge status of "honorable" or "general under honorable conditions." The department shall report to the transportation committees of the legislature by December 1, 2012, with a plan to implement the designation. The plan must include the most cost-effective options for implementation, a proposed fee amount to cover the costs of the designation, and any other recommendations on the implementation of the designation.

(22) \$59,000 of the motor vehicle account--state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 2312), Laws of 2012 (military service award emblems). If chapter . . . (Substitute House Bill No. 2312), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(23) \$656,000 of the ignition interlock device revolving account--state appropriation is provided solely for the implementation of chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 (DUI accountability). If chapter . . . (Second Substitute House Bill No. 2443), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

(24) \$134,000 of the highway safety account--state appropriation and \$134,000 of the motor vehicle account--state appropriation are provided solely for the implementation of chapter . . . (Engrossed Second Substitute House Bill No. 2373), Laws of 2012 (state recreational resources). If chapter . . . (Engrossed Second Substitute House Bill No. 2373), Laws of 2012 is not enacted by June 30, 2012, the amount provided in this subsection lapses.

**Sec. 209.** 2011 c 367 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TOLL OPERATIONS AND MAINTENANCE--PROGRAM B

High Occupancy Toll Lanes Operations Account--State

Appropriation (~~(\$1,295,000)~~)

\$1,276,000

Motor Vehicle Account--State Appropriation (~~(\$550,000)~~)

\$538,000

Tacoma Narrows Toll Bridge Account--State

Appropriation (~~(\$23,429,000)~~)

\$23,365,000

State Route Number 520 Corridor Account--State

Appropriation \$27,295,000

State Route Number 520 Civil Penalties

Account--State Appropriation (~~(\$4,622,000)~~)

\$3,622,000

TOTAL APPROPRIATION (~~(\$57,191,000)~~)

\$56,096,000

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

(1) The department shall make detailed quarterly expenditure reports available to the transportation commission and to the public on the department's web site using current department resources. The reports must include a summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(2) (~~(\$4,622,000)~~) \$3,622,000 of the state route number 520 civil penalties account--state appropriation and \$1,458,000 of the Tacoma Narrows toll bridge account--state appropriation are provided solely for expenditures related to the toll adjudication process. All costs associated with the toll adjudication process are anticipated to be covered by revenue collected from the toll adjudication process. The department shall report quarterly on the civil penalty process to the office of financial management and the house of representatives and senate transportation committees beginning September 30, 2011. The reports must include a summary table for each toll facility that includes: The number of notices of civil penalty issued; the number of recipients who pay before the notice becomes a penalty; the number of recipients who request a hearing and the number who do not respond; workload costs related to hearings; the cost and effectiveness of debt collection activities; and revenues generated from notices of civil penalty.

(3) It is the intent of the legislature that transitioning to a statewide tolling operations center and preparing for all-electronic tolling on certain toll facilities will have no adverse revenue or expenditure impact on the Tacoma Narrows toll bridge account. Any increased costs related to this transition shall not be allocated to the Tacoma Narrows toll bridge account. All costs associated with the toll adjudication process are anticipated to be covered by revenue collected from the toll adjudication process.

(4) The department shall ensure that, at no cost to the Tacoma Narrows toll bridge account, new electronic tolling tag readers are installed on the Tacoma Narrows bridge as soon as practicable that are able to read existing and new electronic tolling tags.

(5) \$17,786,000 of the state route number 520 corridor account--state appropriation is provided solely for nonvendor costs associated with tolling the state route number 520 bridge. Funds from the state route number 520 corridor account--state appropriation shall not be used to pay for items prohibited by Executive Order No. 1057, including subscriptions to technical publications, employee educational expenses, professional membership dues and fees, employee recognition and safety awards, meeting meals and light refreshments, commute trip reduction incentives, and employee travel.

**Sec. 210.** 2011 c 367 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--INFORMATION TECHNOLOGY--PROGRAM C

Motor Vehicle Account--State Appropriation (~~(\$69,107,000)~~)

\$67,398,000

Transportation Partnership Account--State

Appropriation \$1,460,000

Multimodal Transportation Account--State

Appropriation \$363,000

Transportation 2003 Account (Nickel Account)--State  
 Appropriation \$1,460,000  
 TOTAL APPROPRIATION (~~(\$72,390,000)~~)  
 \$70,681,000

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

(1) The department shall consult with the office of financial management and the department of ~~((information))~~ enterprise services to: (a) Ensure that the department's current and future system development is consistent with the overall direction of other key state systems; and (b) when possible, use or develop common statewide information systems to encourage coordination and integration of information used by the department and other state agencies and to avoid duplication.

(2) \$1,460,000 of the transportation partnership account--state appropriation and \$1,460,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for maintaining the department's project management reporting system.

(3) \$210,000 of the motor vehicle account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

~~((5))~~ (4) \$502,000 of the motor vehicle account--state appropriation is provided solely to provide support for the transportation executive information system.

**Sec. 211.** 2011 c 367 s 211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--FACILITY MAINTENANCE, OPERATIONS AND CONSTRUCTION--PROGRAM D--OPERATING

Motor Vehicle Account--State Appropriation (~~(\$25,851,000)~~)  
 \$25,466,000

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

(1) The department shall submit a predesign proposal for a new traffic management center to the office of financial management consistent with the process followed by nontransportation capital construction projects. The department shall not award a contract for construction of a new traffic management center until the predesign proposal has been submitted and the office of financial management has completed a budget evaluation study that indicates a new building is the recommended option for accommodating additional traffic management operations.

(2) \$850,000 of the motor vehicle account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

**Sec. 212.** 2011 c 367 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--AVIATION--PROGRAM F

Aeronautics Account--State Appropriation (~~(\$6,066,000)~~)  
 \$6,002,000

Aeronautics Account--Federal Appropriation \$2,150,000  
 TOTAL APPROPRIATION (~~(\$8,216,000)~~)  
 \$8,152,000

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

(1) \$200,000 of the aeronautics account--state appropriation is a reappropriation provided solely to complete runway preservation projects.

(2) The department of transportation's aviation stakeholder forum shall submit a final report regarding the possible move of the aviation division from Arlington, Washington to Olympia, Washington by December 31, 2012, to the legislature. The legislature shall consider

the recommendations and make a final determination on the proposed move during the 2013 legislative session. Until that decision has been made, the aviation division must remain in its existing location.

**Sec. 213.** 2011 c 367 s 213 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PROGRAM DELIVERY MANAGEMENT AND SUPPORT--PROGRAM H

Motor Vehicle Account--State Appropriation  
 Motor Vehicle Account--Federal Appropriation \$500,000  
 Multimodal Transportation Account--State  
 Appropriation \$250,000  
 TOTAL APPROPRIATION (~~(\$48,168,000)~~)  
 \$46,546,000

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

(1) ((The department shall provide updated information on six project milestones for all active projects, funded in part or in whole with 2005 transportation partnership account funds or 2003 nickel account funds, on a quarterly basis in the transportation executive information system. The department shall also provide updated information on six project milestones for projects funded with preexisting funds and that are agreed to by the legislature, office of financial management, and the department, on a quarterly basis.

(2)) \$3,754,000 of the motor vehicle account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

~~((3))~~ (2) It is the intent of the legislature that the real estate services division of the department will recover the cost of its efforts from future sale proceeds.

~~((4))~~ (3) The legislature recognizes that the Dryden pit site (WSDOT Inventory Control (IC) No. 2-04-00103) is unused state-owned real property under the jurisdiction of the department of transportation, and that the public would benefit significantly from the complete enjoyment of the natural scenic beauty and recreational opportunities available at the site. Therefore, pursuant to RCW 47.12.080, the legislature declares that transferring the property to the department of fish and wildlife for recreational use and fish and wildlife restoration efforts is consistent with the public interest in order to preserve the area for the use of the public and the betterment of the natural environment. The department of transportation shall work with the department of fish and wildlife, and shall transfer and convey the Dryden pit site to the department of fish and wildlife as is for an adjusted fair market value reflecting site conditions, the proceeds of which must be deposited in the motor vehicle fund. The department of transportation is not responsible for any costs associated with the cleanup or transfer of this property. By July 1, 2011, and annually thereafter until the entire Dryden pit property has been transferred, the department shall submit a status report regarding the transaction to the chairs of the legislative transportation committees.

(4) The legislature recognizes that the trail known as the Apple Capital Loop, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on existing state route number 28. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) Nos. 2-09-04537 and 2-09-04569 to Douglas county and the city of East Wenatchee is consistent with the public interest. The legislature directs the department to transfer the property to Douglas county and the city of East Wenatchee. The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes. Douglas county and the city of East Wenatchee must agree to accept responsibility for trail segments within their respective jurisdictions and sign an agreement with the state that the transfer of

these parcels to their respective jurisdictions extinguishes any state obligations to improve, maintain, or be in any way responsible for these assets. The department shall report to the transportation committees of the legislature by June 30, 2013, and annually thereafter, on the status of the transfer until complete.

**Sec. 214.** 2011 c 367 s 214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--  
ECONOMIC PARTNERSHIPS--PROGRAM K  
Motor Vehicle Account--State Appropriation (~~(\$622,000)~~)  
\$827,000  
Multimodal Transportation Account--State Appropriation \$110,000  
TOTAL APPROPRIATION (~~(\$732,000)~~)  
\$937,000

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

(1)(a) \$225,000 of the motor vehicle account--state appropriation is provided solely to carry out work related to assessing the operational feasibility of a road user assessment, including technology, agency administration, multistate and federal standards, and other necessary elements. This work must be carried out under the guidance of the steering committee and in coordination with the transportation commission's policy assessment and public outreach planning authorized in section 205(4) of this act.

(b) If subsequent appropriations are provided, the department may conduct a limited scope pilot project to test the feasibility of a road user assessment system to be applied to electric vehicles. The pilot project must be carried out under the guidance of the steering committee described under section 205(4) of this act and in coordination with the transportation commission.

(2) The department shall conduct a study on the potential to generate revenue from off-premise outdoor advertising signs that are erected or maintained adjacent and visible to the interstate system highways, primary system highways, or scenic system highways. The study must provide an evaluation of the market for outdoor advertising signs, including an evaluation of the number of potential advertisers and the amount charged by other jurisdictions for sign permits, and must provide a recommendation for a revised fee structure that recognizes the market value for off-premise signs and considers charging differential fees based on the size, type, and location of the sign.

(3) The public-private partnerships office must explore retail partnerships at state-owned park-and-ride facilities, as authorized in RCW 47.04.295, and if feasible, solicit proposals to implement a retail partnership pilot project at one park-and-ride facility by June 30, 2013.

**Sec. 215.** 2011 c 367 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY  
MAINTENANCE--PROGRAM M  
Motor Vehicle Account--State Appropriation (~~(\$380,327,000)~~)  
\$373,709,000  
Motor Vehicle Account--Federal Appropriation \$7,000,000  
TOTAL APPROPRIATION (~~(\$387,327,000)~~)  
\$380,709,000

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

(1) The department shall request an unanticipated receipt for any federal moneys received for emergency snow and ice removal and shall place an equal amount of the motor vehicle account--state appropriation into unallotted status. This exchange shall not affect the amount of funding available for snow and ice removal.

(2) \$7,000,000 of the motor vehicle account--state appropriation is provided solely for third-party damages to the highway system

where the responsible party is known and reimbursement is anticipated. The department shall request additional appropriation authority for any funds received for reimbursements of third-party damages that are in excess of this appropriation.

(3) \$7,000,000 of the motor vehicle account--federal appropriation is for unanticipated federal funds that may be received during the 2011-2013 fiscal biennium. Upon receipt of the funds, the department shall provide a report on the use of the funds to the transportation committees of the legislature and the office of financial management.

(4) The department may work with the department of corrections to utilize corrections crews for the purposes of litter pickup on state highways.

(5) \$4,530,000 of the motor vehicle account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(6) The department shall continue to report maintenance accountability process (MAP) targets and achievements on an annual basis. The department shall use available funding to target and deliver a minimum MAP grade of C for the activity of roadway striping.

(7) \$6,884,000 of the motor vehicle account--state appropriation is provided solely for the high priority maintenance backlog. Addressing the maintenance backlog must result in increased levels of service. If chapter . . . (Engrossed Substitute Senate Bill No. 5251), Laws of 2011 (electric vehicle fee) is not enacted by June 30, 2011, \$500,000 of the appropriation provided in this subsection lapses.

(8) (~~(\$317,000 of the motor vehicle account--state appropriation is provided solely for maintaining a new active traffic management system on Interstate 5, Interstate 90, and state route number 520.)~~) The department shall track the costs associated with (these) active traffic management systems on a corridor basis and report to the transportation committees of the legislature on the costs and benefits of the systems by December 1, ~~((2011)) 2012~~.

**Sec. 216.** 2011 c 367 s 216 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC  
OPERATIONS--PROGRAM Q--OPERATING  
Motor Vehicle Account--State Appropriation (~~(\$50,166,000)~~)  
\$48,818,000  
Motor Vehicle Account--Federal Appropriation, \$2,050,000  
Motor Vehicle Account--Private/Local Appropriation (~~(\$127,000)~~)  
\$250,000  
TOTAL APPROPRIATION (~~(\$52,343,000)~~)  
\$51,118,000

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

(1) \$6,000,000 of the motor vehicle account--state appropriation is provided solely for low-cost enhancements. Of this amount, \$10,000 of the motor vehicle account--state appropriation is provided solely for the department to install additional farm machinery signs to promote safety in agricultural areas along state highways. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By September 1st of each even-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(2) \$145,000 of the motor vehicle account--state appropriation is provided solely for the department to continue a pilot tow truck incentive program and to expand the program to other areas of the state. The department may provide incentive payments to towing companies that meet clearance goals on accidents that involve heavy trucks.

(3) During the 2011-2013 fiscal biennium, the department shall implement a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (a) Auto transportation company vehicles regulated under chapter 81.68 RCW; (b) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (d) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. By June 30, 2013, the department shall report to the transportation committees of the legislature on whether private transportation provider use of high occupancy vehicle lanes under the pilot program reduces the speeds of high occupancy vehicle lanes. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure. If chapter ... (Substitute Senate Bill No. 5836), Laws of 2011 is enacted by June 30, 2011, this subsection is null and void.

(4) \$9,000,000 of the motor vehicle account--state appropriation is provided solely for the department's incident response program.

(5) The department, in consultation with the Washington state patrol, must continue a pilot program for the patrol to issue infractions based on information from automated traffic safety cameras in roadway construction zones on state highways. The department must report to the joint transportation committee by January 1, 2012, and January 1, 2013, on the status of this pilot program. For the purpose of this pilot program, during the 2011-2013 fiscal biennium, a roadway construction zone includes areas where public employees or private contractors may be present or where a driving condition exists that would make it unsafe to drive at higher speeds, such as, when the department is redirecting or realigning lanes on any public roadway pursuant to ongoing construction. The department shall use the following guidelines to administer the program:

(a) Automated traffic safety cameras may only take pictures of the vehicle and vehicle license plate and only while an infraction is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(b) The department shall plainly mark the locations where the automated traffic safety cameras are used by placing signs on locations that clearly indicate to a driver that he or she is entering a roadway construction zone where traffic laws are enforced by an automated traffic safety camera;

(c) Notices of infractions must be mailed to the registered owner of a vehicle within fourteen days of the infraction occurring;

(d) The owner of the vehicle is not responsible for the violation if the owner of the vehicle, within fourteen days of receiving notification of the violation, mails to the patrol, a declaration under penalty of perjury, stating that the vehicle involved was, at the time, stolen or in the care, custody, or control of some person other than the registered owner, or any other extenuating circumstances;

(e) For purposes of the 2011-2013 fiscal biennium pilot program, infractions detected through the use of automated traffic safety cameras are not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120. Additionally, infractions generated by the use of automated traffic safety cameras must be processed in the same manner as parking infractions for the purposes of RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270(3). However, the amount of the fine issued under this subsection (5) for an infraction

generated through the use of an automated traffic safety camera is one hundred thirty-seven dollars. The court shall remit thirty-two dollars of the fine to the state treasurer for deposit into the state patrol highway account; and

(f) If a notice of infraction is sent to the registered owner and the registered owner is a rental car business, the infraction must be dismissed against the business if it mails to the patrol, within fourteen days of receiving the notice, a declaration under penalty of perjury of the name and known mailing address of the individual driving or renting the vehicle when the infraction occurred. If the business is unable to determine who was driving or renting the vehicle at the time the infraction occurred, the business must sign a declaration under penalty of perjury to this effect. The declaration must be mailed to the patrol within fourteen days of receiving the notice of traffic infraction. Timely mailing of this declaration to the issuing agency relieves a rental car business of any liability under this section for the notice of infraction. A declaration form suitable for this purpose must be included with each automated traffic infraction notice issued, along with instructions for its completion and use.

(6) The department shall track the costs associated with active traffic management systems on a corridor basis and report to the transportation committees of the legislature on the cost and benefits of the systems by December 1, 2011.

(7) State university research and extension centers serve as important research hubs for university graduate students and, as such, there is a safety concern with any centers being located on a state highway. Therefore, consistent with RCW 46.61.415, and upon request of a county with a state university research and extension center located on a state highway within its respective jurisdiction, the secretary of transportation shall approve a reduction of the maximum speed limit on the state highway in the vicinity of the center. The speed on the state highway may be less than the maximum speed permitted under RCW 46.61.400(2).

**Sec. 217.** 2011 c 367 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSPORTATION MANAGEMENT AND SUPPORT--  
PROGRAM S

Motor Vehicle Account--State Appropriation ((~~\$28,430,000~~))

\$27,389,000

Motor Vehicle Account--Federal Appropriation \$30,000

Multimodal Transportation Account--State

Appropriation \$973,000

TOTAL APPROPRIATION ((~~\$29,433,000~~))

\$28,392,000

The appropriations in this section are subject to the following conditions and limitations: The department shall utilize existing resources and customer service staff to develop and implement new policies and procedures to ensure compliance with new federal passenger vessel Americans with disabilities act requirements.

**Sec. 218.** 2011 c 367 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--  
TRANSPORTATION PLANNING, DATA, AND RESEARCH--  
PROGRAM T

Motor Vehicle Account--State Appropriation ((~~\$23,394,000~~))

\$22,304,000

Motor Vehicle Account--Federal Appropriation \$21,885,000

Multimodal Transportation Account--State

Appropriation \$662,000

Multimodal Transportation Account--Federal

Appropriation \$3,559,000

Multimodal Transportation Account--Private/Local

Appropriation \$100,000

TOTAL APPROPRIATION ((~~\$49,600,000~~))

\$48,510,000

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

(1) \$70,000 of the motor vehicle account--state appropriation is a reappropriation provided solely for a corridor study of state route number 516 from the eastern border of Maple Valley to state route number 167 to determine whether improvements are needed and the costs of any needed improvements.

(2) \$200,000 of the motor vehicle account--state appropriation is provided solely for extending the freight database pilot project that began in 2009. Global positioning system (GPS) data is intended to help guide freight investment decisions and track highway project effectiveness as it relates to freight traffic.

(3) Within available resources, the department must collaborate with the affected metropolitan planning organizations, regional transportation planning organizations, transit agencies, and private transportation providers to develop a plan to reduce vehicle demand, increase public transportation options, and reduce vehicle miles traveled on corridors affected by growth at Joint Base Lewis-McChord.

(4) As part of their ongoing regional transportation planning, the regional transportation planning organizations across the state shall work together to provide a comprehensive framework for sources and uses of next-stage investments in transportation needed to improve structural conditions and ongoing operations and lay the groundwork for the transportation systems to support the long-term economic vitality of the state. This planning must include all forms of transportation to reflect the state's interests, including: Highways, streets, and roads; ferries; public transportation; systems for freight; and walking and biking systems. The department shall support this planning by providing information on potential state transportation uses and an analysis of potential sources of revenue to implement investments. In carrying out this planning, regional transportation planning organizations must be broadly inclusive of business, civic, labor, governmental, and environmental interests in regional communities across the state.

(5) \$190,000 of the motor vehicle account--state appropriation is provided solely for the regional transportation planning organizations across the state to implement the comprehensive transportation planning and data framework. The framework must provide regional transportation planning organizations with the ability to identify the spatial and temporal status of current and future high priority projects, and the next stage investment necessary to implement those projects. The framework must be accessible to the public and provide transparency and accountability to the regional transportation planning process.

(6) Within existing resources, the department shall work with the department of archaeology and historic preservation to develop a statewide policy regarding the curation of artifacts and the use of museums and information centers as potential mitigation under the national environmental policy act. This policy must address the following issues: How to minimize costs associated with information centers and museums; when to use existing facilities to preserve and display artifacts; how to minimize the time that stand-alone facilities are needed; and how to transfer artifacts and other items to facilities that are not owned or rented by the department. A report regarding this policy must be submitted to the joint transportation committee by September 1, 2012.

**Sec. 219.** 2011 c 367 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--CHARGES FROM OTHER AGENCIES--PROGRAM U

Motor Vehicle Account--State Appropriation ((~~\$85,209,000~~))

\$74,734,000

Motor Vehicle Account--Federal Appropriation \$400,000

Multimodal Transportation Account--State

Appropriation ((~~\$3,320,000~~))

\$1,798,000

TOTAL APPROPRIATION ((~~\$88,929,000~~))

\$76,932,000

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

(1) The ((~~office of financial management~~)) department of enterprise services must provide a detailed accounting of the revenues and expenditures of the self-insurance fund to the transportation committees of the legislature on December 31st and June 30th of each year.

(2) Payments in this section represent charges from other state agencies to the department of transportation.

((a) FOR PAYMENT OF OFFICE OF FINANCIAL MANAGEMENT

DIVISION OF RISK MANAGEMENT FEES \$1,639,000

(b) FOR PAYMENT OF COSTS OF THE OFFICE OF THE STATE AUDITOR \$937,000

(c) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF GENERAL ADMINISTRATION \$6,060,000

(d) FOR PAYMENT OF COSTS OF THE DEPARTMENT OF PERSONNEL \$6,347,000

(e) FOR PAYMENT OF SELF-INSURANCE LIABILITY PREMIUMS AND ADMINISTRATION \$44,418,000

(f) FOR ARCHIVES AND RECORDS MANAGEMENT \$623,000

(g) FOR OFFICE OF MINORITIES AND WOMEN BUSINESS ENTERPRISES \$1,008,000

(h) FOR USE OF FINANCIAL AND REPORTING SYSTEMS PROVIDED BY THE OFFICE OF FINANCIAL MANAGEMENT \$1,143,000

(i) FOR POLICY AND SYSTEM ASSISTANCE FROM THE DEPARTMENT OF INFORMATION SERVICES \$1,980,000

(j) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY GENERAL'S OFFICE,\$8,526,000

(k) FOR LEGAL SERVICE PROVIDED BY THE ATTORNEY GENERAL'S OFFICE FOR THE SECOND PHASE OF THE BOLDT

LITIGATION \$672,000))

(a) TO THE SECRETARY OF STATE--ARCHIVES AND RECORDS MANAGEMENT \$512,000

(b) TO THE OFFICE OF THE STATE AUDITOR--AUDITOR SERVICES 488,000

(c) TO THE OFFICE OF THE ATTORNEY GENERAL--ATTORNEY GENERAL SERVICESm \$7,127,000

(d) TO THE OFFICE OF FINANCIAL MANAGEMENT--LABOR

RELATIONS SERVICES \$266,000

(e) TO THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF CHIEF INFORMATION OFFICER \$473,000

(f) TO THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES \$840,000

(g) TO CONSOLIDATED TECHNICAL SERVICES \$182,000

(h) TO THE DEPARTMENT OF ENTERPRISE SERVICES--HUMAN RESOURCE MANAGEMENT SYSTEM \$3,495,000

(i) TO THE DEPARTMENT OF ENTERPRISE SERVICES--PRODUCTION SUPPORT \$974,000

(j) TO THE DEPARTMENT OF ENTERPRISE SERVICES--REAL ESTATE SERVICES \$108,000

(k) TO THE DEPARTMENT OF ENTERPRISE SERVICES--PUBLICATIONS AND HISTORICAL SERVICES

\$691,000

(l) TO THE DEPARTMENT OF ENTERPRISE SERVICES--CAMPUS RENT \$3,293,000  
 (m) TO THE DEPARTMENT OF ENTERPRISE SERVICES--CAPITAL PROJECT SURCHARGE \$879,000  
 (n) TO THE DEPARTMENT OF ENTERPRISE SERVICES--PERSONAL SERVICE CONTRACTS \$100,000  
 (o) TO THE DEPARTMENT OF ENTERPRISE SERVICES--SECURE FILE TRANSFER SERVICES \$39,000  
 (p) TO THE DEPARTMENT OF ENTERPRISE SERVICES--ACCESS SERVICES \$179,000  
 (q) TO THE DEPARTMENT OF ENTERPRISE SERVICES--RISK MANAGEMENT SERVICES \$1,290,000  
 (r) TO THE DEPARTMENT OF ENTERPRISE SERVICES--INFORMATION TECHNOLOGY SERVICES \$1,557,000

**Sec. 220.** 2011 c 367 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PUBLIC TRANSPORTATION--PROGRAM V

Motor Vehicle Account--Federal Appropriation \$160,000

State Vehicle Parking Account--State Appropriation \$452,000

Regional Mobility Grant Program Account--State

Appropriation \$48,942,000

Multimodal Transportation Account--State

Appropriation (~~(\$41,706,000)~~)

\$42,939,000

Multimodal Transportation Account--Federal

Appropriation \$2,582,000

Multimodal Transportation Account--Private/Local

Appropriation \$1,027,000

Rural Mobility Grant Program Account--State

Appropriation \$17,000,000

TOTAL APPROPRIATION (~~(\$111,709,000)~~)

\$113,102,000

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

(1) \$25,000,000 of the multimodal transportation account--state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation.

(a) \$5,500,000 of the ~~((amount provided in this subsection))~~ multimodal transportation account--state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$19,500,000 of the ~~((amount provided in this subsection))~~ multimodal transportation account--state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2009 as reported in the "Summary of Public Transportation - 2009" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) Funds are provided for the rural mobility grant program as follows:

(a) \$8,500,000 of the rural mobility grant program account--state appropriation is provided solely for grants for those transit systems serving small cities and rural areas as identified in the "Summary of Public Transportation - 2009" published by the department of

transportation. Noncompetitive grants must be distributed to the transit systems serving small cities and rural areas in a manner similar to past disparity equalization programs. If the funding provided in this subsection (2)(a) exceeds the amount required for recipient counties to reach eighty percent of the average per capita sales tax, funds in excess of that amount may be used for the competitive grant process established in (b) of this subsection.

(b) \$8,500,000 of the rural mobility grant program account--state appropriation is provided solely to providers of rural mobility service in areas not served or underserved by transit agencies through a competitive grant process.

(3)(a) \$6,000,000 of the multimodal transportation account--state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools or replace vans; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(c) \$520,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving soldiers and civilian employees at Joint Base Lewis-McChord.

(4) \$8,942,000 of the regional mobility grant program account--state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document ~~((2007-B, as developed April 20, 2007, or LEAP Transportation Document 2009-B, as developed April 24, 2009))~~ 2012-1 ALL PROJECTS -Public Transportation - Program (V) as developed March 8, 2012. The department shall continue to review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in ~~((the LEAP Transportation Document ((2007-B, as developed April 20, 2007; LEAP Transportation Document 2009-B, as developed April 24, 2009; or LEAP Transportation Document 2011-B, as developed April 19, 2014))~~ referenced in this subsection. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule and that all funds in the regional mobility grant program be used as soon as practicable to advance eligible projects.

(5)(a) \$40,000,000 of the regional mobility grant program account--state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ~~((2011-B, as developed April 19, 2014))~~ 2012-1 ALL PROJECTS - Public Transportation - Program (V) as developed March 8, 2012. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP Transportation Document ((2011-B, as developed April 19, 2014)) referenced in this subsection. The department shall provide annual status reports on December 15, 2011, and December 15, 2012, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the

grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2011-2013 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) \$2,309,000 of the multimodal transportation account--state appropriation is provided solely for the tri-county connection service for Island, Skagit, and Whatcom transit agencies.

(7) \$200,000 of the multimodal transportation account--state appropriation is contingent on the timely development of an annual report summarizing the status of public transportation systems as identified under RCW 35.58.2796.

(8) Funds provided for the commute trip reduction program may also be used for the growth and transportation efficiency center program.

(9) An affected urban growth area that has not previously implemented a commute trip reduction program is exempt from the requirements in RCW 70.94.527 if a solution to address the state highway deficiency that exceeds the person hours of delay threshold has been funded and is in progress during the 2011-2013 fiscal biennium.

(10) \$300,000 of the multimodal transportation account--state appropriation is provided solely for the continuation of state support for the Whatcom smart trips commute trip reduction program.

(11) \$818,000 of the multimodal transportation account--state appropriation is provided solely for state support of the Everett connector bus service.

(12) The department shall contact all transit agencies with a nonvoting member recommended by a labor organization and request information regarding the participation of board members, both voting and nonvoting, for all transit agency meetings in 2012 and the three previous calendar years. The department shall provide a report to the transportation committees of the legislature regarding the findings of this survey, which must include the transit agencies, if any, that refuse to respond either in whole or in part, by January 15, 2013.

(13) \$250,000 of the multimodal transportation account--state appropriation is provided solely for the Clark county public transportation benefit area to comply with the requirements of RCW 81.104.110 regarding the formation of an expert review panel to provide an independent technical review of any plan that relies on any voter-approved local funding options.

(14) \$100,000 of the multimodal transportation account--state appropriation is provided solely for community transit to conduct a federally mandated alternatives analysis study to allow a second swift line to be funded through the federal transit administration's new starts or small starts process.

(15) \$160,000 of the motor vehicle account--federal appropriation is provided solely for King county metro to study demand potential for a state route number 18 and Interstate 90 park-and-ride location, to size the facilities appropriately, to perform site analysis, and to develop preliminary design concepts.

**Sec. 221.** 2011 c 367 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X

Puget Sound Ferry Operations Account--State

Appropriation (~~(\$467,773,000)~~)  
\$468,135,000

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2011-2013 supplemental and 2013-2015 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) When purchasing uniforms that are required by collective bargaining agreements, the department shall contract with the lowest cost provider.

~~((5))~~ (3) Until a reservation system is operational on the San Juan islands inner-island route, the department shall provide the same priority loading benefits on the San Juan islands inner-island route to home health care workers as are currently provided to patients traveling for purposes of receiving medical treatment.

~~((6))~~ (4) The department shall request from the United States coast guard variable minimum staffing levels on all of its vessels by December 31, 2011.

~~((10))~~ (5) The department shall continue to provide service to Sidney, British Columbia and shall explore the option of purchasing a foreign built vehicle and passenger ferry vessel either with safety of life at sea (SOLAS) certification or the ability to be retrofitted for SOLAS certification to operate solely on the Anacortes to Sidney, British Columbia route currently served by vessels of the Washington state ferries fleet. The vessel should have the capability of carrying at least one hundred standard vehicles and approximately four hundred to five hundred passengers. Further, the department shall explore the possibilities of contracting a commercial company to operate the vessel exclusively on this route so long as the contractor's employees assigned to the vessel are represented by the same employee organizations as the Washington state ferries. The department shall report back to the transportation committees of the legislature regarding: The availability of a vessel; the cost of the vessel, including transport to the Puget Sound region; and the need for any statutory changes for the operation of the Sydney, British Columbia service by a private company.

~~((14))~~ (6) For the 2011-2013 fiscal biennium, the department of transportation may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

~~((12))~~ (7) The department shall target service reductions totaling \$4,000,000, such that the shortening of shoulder seasons and eliminations of off-peak runs on all routes are considered. Prior to implementing the reductions, the department shall consult with ferry employees and ferry advisory committees to determine which reductions would impact the fewest number of riders. The reductions must be identified and implementation must begin no later than the fall 2011 schedule.

(13) \$135,248,000) ~~(7)~~ \$136,648,000 of the Puget Sound ferry operations account--state appropriation is provided solely for auto ferry vessel operating fuel in the 2011-2013 fiscal biennium. The amount provided in this appropriation represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

~~((14))~~ (8) \$150,000 of the Puget Sound ferry operations account--state appropriation is provided solely for the department to increase recreation and tourist ridership by entering into agreements

for marketing and outreach strategies with local economic development agencies. The department shall identify the number of tourist and recreation riders on the applicable ferry routes both before and after implementation of marketing and outreach strategies developed through the agreements. The department shall report results of the marketing and outreach strategies to the transportation committees of the legislature by October 15, 2012.

~~((15))~~ (9) The Washington state ferries shall participate in the facilities plan included in section 604 of this act and shall include an investigation and identification of less costly relocation options for the Seattle headquarters office. The department shall include relocation options for the Washington state ferries Seattle headquarters office in the facilities plan. Until September 1, 2012, the department may not enter into a lease renewal for the Seattle headquarters office.

~~((16))~~ (10) The department, office of financial management, and transportation committees of the legislature shall make recommendations regarding an appropriate budget structure for the Washington state ferries. The recommendation may include a potential restructuring of the Washington state ferries budget. The recommendation must facilitate transparency in reporting and budgeting as well as provide the opportunity to link revenue sources with expenditures. Findings and recommendations must be reported to the office of financial management and the joint transportation committee by September 1, 2011.

~~((17))~~ (11) Two Kwa-di-tabil class ferry vessels must be placed on the Port Townsend/Coupeville (Keystone) route to provide service at the same levels provided when the steel electric vessels were in service. After the vessels as funded under section 308~~((7))~~ (5) of this act are in service, the two most appropriate of these vessels for the Port Townsend/Coupeville (Keystone) route must be placed on the route. \$100,000 of the Puget Sound ferry operations account--state appropriation is provided solely for the additional staffing required to maintain a reservation system at this route when the second vessel is in service.

~~((19))~~ (12) \$706,000 of the Puget Sound ferry operations account--state appropriation is provided solely for terminal operations to implement new federal passenger vessel Americans with disabilities act requirements.

~~((20))~~ (13) \$152,000 of the Puget Sound ferry operations account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

((21) If chapter ... (Substitute House Bill No. 2053), Laws of 2011 (additive transportation funding) is not enacted by June 30, 2011, the \$4,000,000 in service reductions identified in subsection (12) of this section must be restored and an identical amount must be reduced from the amount provided for the second 144-car vessel identified in section 308(8) of this act.)

**Sec. 222.** 2011 c 367 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--OPERATING

Multimodal Transportation Account--State

Appropriation (~~(\$29,688,000)~~)

\$33,642,000

Multimodal Transportation Account--Federal

Appropriation (~~(\$300,000)~~)

\$400,000

TOTAL APPROPRIATION (~~(\$29,988,000)~~)

\$34,042,000

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

(1) (~~(\$24,091,000)~~) \$27,816,000 of the multimodal transportation account--state appropriation is provided solely for the Amtrak service

contract and Talgo maintenance contract associated with providing and maintaining state-supported passenger rail service. The department is directed to continue to pursue efforts to reduce costs, increase ridership, and review fares or fare schedules. Within thirty days of each annual cost/revenue reconciliation under the Amtrak service contract, the department shall report annual credits to the office of financial management and the legislative transportation committees. Annual credits from Amtrak to the department including, but not limited to, credits for increased revenue due to higher ridership, and fare or fare schedule adjustments, must be used to offset corresponding amounts of the multimodal transportation account--state appropriation, which must be placed in reserve. Upon completion of the rail platform project in the city of Stanwood, the department shall continue to provide daily Amtrak Cascades service to the city.

(2) Amtrak Cascade runs may not be eliminated.

(3) The department shall plan for a third roundtrip Cascades train between Seattle and Vancouver, B.C.

(4) The department shall conduct a pilot program by partnering with the travel industry on the Amtrak Cascades service between Vancouver, British Columbia, and Seattle to test opportunities for increasing ridership, maximizing farebox recovery, and stimulating private investment. The pilot program must run from July 1, 2011, to June 30, 2012. The department shall report on the results of the pilot program to the office of financial management and the legislature by September 30, 2012.

(5) \$300,000 of the multimodal transportation account--state appropriation is provided solely for the department to conduct a study to examine the interconnectivity benefits of, and potential for, a future Amtrak Cascades stop in the vicinity of the city of Auburn. As part of its consideration, the department shall conduct a thorough market analysis of the potential for adding or changing stops on the Amtrak Cascades route.

**Sec. 223.** 2011 c 367 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--OPERATING

Motor Vehicle Account--State Appropriation (~~(\$8,853,000)~~)

\$8,518,000

Motor Vehicle Account--Federal Appropriation \$2,567,000

TOTAL APPROPRIATION (~~(\$11,420,000)~~)

\$11,085,000

The appropriations in this section are subject to the following conditions and limitations: The department shall submit a report to the transportation committees of the legislature by December 1, 2011, on the implementation of the recommendations that resulted from the evaluation of efficiencies in the delivery of transportation funding and services to local governments that was required under section 204(8), chapter 247, Laws of 2010. The report must include a description of how recommendations were implemented, what efficiencies were achieved, and an explanation of any recommendations that were not implemented.

#### TRANSPORTATION AGENCIES--CAPITAL

**Sec. 301.** 2011 c 367 s 301 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account--State Appropriation (~~(\$6,487,000)~~)

\$6,681,000

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

(1) (~~(\$653,000)~~) \$1,357,000 of the state patrol highway account--state appropriation is provided solely for the following minor works projects: \$200,000 for emergency infrastructure repairs; \$75,000 for water and sewer upgrades; \$210,000 for emergency backup system replacement; \$85,000 for chiller replacement; (~~and~~) \$83,000 for roof replacements; \$128,000 for septic system repairs; and \$576,000 for HVAC replacement and energy upgrades.

(2) (~~(\$3,226,000)~~) \$4,903,000 of the state patrol highway account--state appropriation is provided solely for the Shelton academy of the Washington state patrol for the new waste water treatment lines, waste water plants, water lines, and water systems. (~~However, \$2,129,000 of this amount is contingent on the department of corrections receiving funding for its portion of the regional water project in the 2011 2013 omnibus capital appropriations act. If this funding is not provided by June 30, 2011, \$2,129,000 of the appropriation provided in this subsection lapses.~~) Of the amount provided in this subsection, \$1,758,000 is for the Washington state patrol's portion of the costs associated with constructing a water line to the Shelton academy and \$2,047,000 is for the department of corrections' portion to construct the water line as far as the Washington state patrol's Shelton academy. If funding is provided in the 2012 supplemental omnibus capital appropriations act for any portion of the project to construct a water line to the Washington state patrol's Shelton academy, that portion of the funds included in this subsection lapses.

(3) \$421,000 of the state patrol highway account--state appropriation is provided solely for the reappropriation of the Shelton regional water project.

(4) (~~(\$2,187,000 of the total appropriation is provided solely for mobile office platforms.~~) (5)) It is the intent of the legislature that the omnibus operating appropriations act provide funding for the portion of any applicable debt service payments, resulting from financial contracts identified under section 601 of this act, that are attributable to the general fund as identified in the Washington state patrol's cost allocation model.

**Sec. 302.** 2011 c 367 s 302 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD  
Motor Vehicle Account--State Appropriation \$874,000  
Rural Arterial Trust Account--State Appropriation (~~(\$37,417,000)~~)  
\$62,510,000  
County Arterial Preservation Account--State  
Appropriation \$29,360,000  
TOTAL APPROPRIATION (~~(\$67,651,000)~~)  
\$92,744,000

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

(1) \$874,000 of the motor vehicle account--state appropriation may be used for county ferry projects as developed pursuant to RCW 47.56.725(4).

(2) (~~(\$37,417,000)~~) \$62,510,000 of the rural arterial trust account--state appropriation is provided solely for county road preservation grant projects as approved by the county road administration board. These funds may be used to assist counties recovering from federally declared emergencies by providing capitalization advances and local match for federal emergency funding, and may only be made using existing fund balances. It is the intent of the legislature that the rural arterial trust account be managed based on cash flow. The county road administration board shall specifically identify any of the selected projects and shall include information concerning the selected projects in its next annual report to the legislature.

**Sec. 303.** 2011 c 367 s 303 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD  
Small City Pavement and Sidewalk Account--State  
Appropriation (~~(\$3,812,000)~~)  
\$5,270,000  
Transportation Improvement Account--State  
Appropriation (~~(\$201,050,000)~~)  
\$237,545,000  
TOTAL APPROPRIATION (~~(\$204,862,000)~~)  
\$242,815,000

The appropriations in this section are subject to the following conditions and limitations: The transportation improvement account--state appropriation includes up to \$22,143,000 in proceeds from the sale of bonds authorized in RCW 47.26.500.

**Sec. 304.** 2011 c 367 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--  
FACILITIES--PROGRAM D--(DEPARTMENT OF  
TRANSPORTATION-ONLY PROJECTS)--CAPITAL  
Motor Vehicle Account--State Appropriation (~~(\$5,433,000)~~)  
\$5,545,000  
Transportation Partnership Account--State  
Appropriation \$1,575,000  
TOTAL APPROPRIATION \$7,120,000

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

(1) \$1,364,000 of the motor vehicle account--state appropriation is provided solely for the Olympic region site acquisition debt service payments and administrative costs associated with capital improvement and preservation project and financial management.

(2) (~~(\$3,669,000)~~) \$3,781,000 of the motor vehicle account--state appropriation is provided solely for high priority safety projects that are directly linked to employee safety, environmental risk, or minor works that prevent facility deterioration.

(3) \$400,000 of the motor vehicle account--state appropriation is provided solely for the department's compliance with its national pollution discharge elimination system permit.

(4) \$1,575,000 of the transportation partnership account--state appropriation is provided solely for the traffic management center (100010T).

**Sec. 305.** 2011 c 367 s 305 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--  
IMPROVEMENTS--PROGRAM I  
(Multimodal Transportation Account--State  
Appropriation \$1,000))  
Transportation Partnership Account--State  
Appropriation (~~(\$1,991,547,000)~~)  
\$1,636,316,000  
Motor Vehicle Account--State Appropriationm (~~(\$86,139,000)~~)  
\$103,889,000  
Motor Vehicle Account--Federal Appropriation (~~(\$450,691,000)~~)  
\$790,068,000  
Motor Vehicle Account--Private/Local  
Appropriation (~~(\$50,485,000)~~)  
\$124,917,000  
Transportation 2003 Account (Nickel Account)--State  
Appropriation (~~(\$436,005,000)~~)  
\$416,125,000  
State Route Number 520 Corridor Account--State  
Appropriation (~~(\$1,019,460,000)~~)  
\$1,752,138,000  
Special Category C Account--State Appropriation \$124,000  
Tacoma Narrows Toll Bridge Account--State  
Appropriation \$5,791,000

TOTAL APPROPRIATION (~~(\$4,034,328,000)~~)  
\$4,829,368,000

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document (~~(2011-4)~~) 2012-2 as developed (~~(April 19, 2011)~~) March 8, 2012, Program - Highway Improvement Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) ~~(The department shall, on a quarterly basis beginning July 1, 2011, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account and transportation 2003 account (nickel account) projects relating to bridge rail, guard rail, fish passage barrier removal, and roadside safety projects must be reported on a programmatic basis. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget. Report formatting and elements must be consistent with the October 2009 quarterly project report. The department shall also provide the information required under this subsection on a quarterly basis.~~

(3) Within the motor vehicle account--state appropriation and motor vehicle account--federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

~~(4)~~ (3) The department shall apply for surface transportation program enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in programs I and P including, but not limited to, the state route number 518, state route number 520, Columbia river crossing, and Alaskan Way viaduct projects.

~~(5)~~ (4) The department shall apply for the competitive portion of federal transit administration funds for eligible transit-related costs of the state route number 520 bridge replacement and HOV project and the Columbia river crossing project. The federal funds described in this subsection must not include those federal transit administration funds distributed by formula. The department shall provide a report regarding this effort to the legislature by October 1, 2011.

~~(7)~~ (5) The department shall work with the department of archaeology and historic preservation to ensure that the cultural resources investigation is properly conducted on all mega-highway projects and large ferry terminal projects. These projects must be conducted with active archaeological management. Additionally, the department shall establish a scientific peer review of independent archaeologists that are knowledgeable about the region and its cultural resources.

~~(8)~~ (6) For highway construction projects where the department considers agricultural lands of long-term commercial significance, as defined in RCW 36.70A.030, in reviewing and selecting sites to meet environmental mitigation requirements under the national environmental policy act (42 U.S.C. Sec. 4321 et seq.) and the state environmental policy act (chapter 43.21C RCW), the department shall, to the greatest extent possible, consider using public land first. If public lands are not available that meet the required environmental mitigation needs, the department may use other sites while making every effort to avoid any net loss of agricultural lands that have a designation of long-term commercial significance.

~~(9)~~ ~~(\$361,000)~~ (7) \$561,000 of the transportation partnership account--state appropriation and ~~(\$1,245,000)~~ \$1,176,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for project OBI4ENV, Environmental Mitigation Reserve - Nickel/TPA project, as indicated in the LEAP transportation document referenced in subsection (1) of this section. Funds may be used only for environmental mitigation work that is required by permits that were issued for projects funded by the transportation partnership account or transportation 2003 account (nickel account). ~~(As part of the 2012 budget submittal, the department shall provide a list of all projects and associated amounts that are being charged to project OBI4ENV during the 2011-2013 fiscal biennium.~~

~~(10)~~ (8) The transportation 2003 account (nickel account)--state appropriation includes up to ~~(\$361,005,000)~~ \$339,608,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

~~(11)~~ (9) The transportation partnership account--state appropriation includes up to ~~(\$1,427,696,000)~~ \$972,392,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

~~(12)~~ (10) The motor vehicle account--state appropriation includes up to ~~(\$66,373,000)~~ \$55,870,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

~~(13)~~ (11) The state route number 520 corridor account--state appropriation includes up to ~~(\$987,717,000)~~ \$1,779,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.879.

~~(14)~~ ~~(\$391,000)~~ (12) \$767,000 of the motor vehicle account--state appropriation and ~~(\$4,027,000)~~ \$3,736,000 of the motor vehicle account--federal appropriation are provided solely for the US 2 High Priority Safety project (100224I). Expenditure of these funds is for safety projects on state route number 2 between Monroe and Gold Bar, which may include median rumble strips, traffic cameras, and electronic message signs.

~~(15)~~ ~~(\$687,000)~~ (13) \$820,000 of the motor vehicle account--federal appropriation, \$16,308,000 of the motor vehicle account--private/local appropriation, and ~~(\$22,000)~~ \$48,000 of the motor vehicle account--state appropriation are provided solely for the US 2/Bickford Avenue - Intersection Safety Improvements project (100210E).

~~(16)~~ ~~(\$435,000)~~ (14) \$1,025,000 of the motor vehicle account--state appropriation is provided solely for environmental work on the Balfair Bypass project (300344C).

~~(17)~~ ~~(\$108,000)~~ (15) \$372,000 of the motor vehicle account--federal appropriation and ~~(\$3,000)~~ \$9,000 of the motor vehicle account--state appropriation are provided solely for the I-5/Vicinity of Joint Base Lewis-McChord - Install Ramp Meters project (300596M).

~~(18)~~ ~~(\$253,444,000)~~ (16) \$202,863,000 of the transportation partnership account--state appropriation and ~~(\$66,034,000)~~ \$51,138,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for the I-5/Tacoma HOV Improvements (Nickel/TPA) project (300504A). The use of funds in this subsection to renovate any buildings is subject to the requirements of section 604 of this act. The department shall report to the legislature and the office of financial management on any costs associated with building renovations funded in this subsection.

~~(19)~~ (17)(a) ~~(\$8,321,000)~~ \$7,423,000 of the transportation partnership account--state appropriation and ~~(\$31,380,000)~~ \$54,461,000 of the motor vehicle account--federal appropriation are provided solely for the I-5/Columbia River Crossing project (400506A). ~~(Of this amount,)~~ Of the amounts appropriated in this subsection, \$15,000,000 of the motor vehicle account--federal appropriation must be put into unallotted status and is subject to the review of the office of financial management. This funding may only be allotted once the state of Oregon's total contribution of shared expenses on the project are within five million dollars of the state of Washington's shared expenses.

(b) It is the intent of the legislature that Washington and Oregon have equal funding commitments and equal total expenditures to date

on the shared components of the Columbia river crossing project. The department shall provide a quarterly report on this project beginning March 31, 2012. This report must include:

- (i) An update on preliminary engineering and right-of-way acquisition for the previous quarter;
- (ii) Planned objectives for right-of-way and preliminary engineering for the ensuing quarter;
- (iii) An updated comparison of the total appropriation authority for the project by state;
- (iv) An updated comparison of the total expenditures to date on the project by state; and
- (v) The committed funding provided by the state of Oregon to right-of-way acquisition.

(c) \$200,000 of the transportation partnership account--state appropriation in this subsection is provided solely for the department to work with the department of archaeology and historic preservation to ensure that the cultural resources investigation is properly conducted on the Columbia river crossing project. This project must be conducted with active archaeological management and result in one report that spans the single cultural area in Oregon and Washington. Additionally, the department shall establish a scientific peer review of independent archaeologists that are knowledgeable about the region and its cultural resources. ~~(No funding from any account may be expended until written confirmation has been received by the department that the state of Oregon is providing an equal amount of additional funding to the project.~~

~~(b))~~ (d) Consistent with the draft environmental impact statement and the Columbia river crossing project's independent review panel report, the Columbia river crossing project's financial plan must include recognition of state transportation funding contributions from both Washington and Oregon, federal transportation funding, and a funding contribution from toll bond proceeds. Following the refinement of the finance plan as recommended by the independent review panel, the department may seek authorization from the legislature to collect tolls on the existing Columbia river crossing or on a replacement crossing over Interstate 5.

(e) The Washington state department of transportation budget includes resources to continue work on solutions that advance the Columbia river crossing project to completion of the required environmental impact statement. The department must report to the Columbia river crossing legislative oversight subcommittee of the joint transportation committee, established in section 204(7) of this act, on the progress made on the Columbia river crossing project at each meeting of the oversight subcommittee. Reporting must include updated information on cost estimates, rights-of-way purchases and procurement schedules, and financing plans for the Columbia river crossing project, including projected traffic volumes, fuel and gas price assumptions, toll rates, costs of toll collections, as well as potential need for general transportation funding. By January 1, 2013, the department shall provide to the oversight subcommittee of the joint transportation committee a phased master plan for the Columbia river crossing project.

~~((20) \$107,000)~~ (18) Within the amounts provided for the Columbia river crossing project (400506A), the department shall conduct a traffic and revenue analysis for the Columbia river crossing project that will lay the foundation for investment grade traffic and revenue analysis. While conducting the analysis, the department must coordinate with the Oregon department of transportation, the Washington state transportation commission, and the Washington state legislative oversight committee.

(a) The department's analysis must include the assessment and review of the following variables within the project:

- (i) Exemptions from tolls for vehicles with two or more occupants;
- (ii) A variable toll where the tolls vary by time of day and day of the week; and

(iii) A frequency-based toll rate for the facility.  
(b) The analysis must also assess the following:  
(i) The impact that light rail service in the corridor will have on estimated toll revenues;

(ii) The level of diversion from the Interstate 5 corridor and the impact on estimated toll revenues; and  
(iii) The estimated toll revenues from vehicle trips originating within the region and outside the region by vehicle type.

(c) The department must submit a report of findings to the transportation committees of the legislature by July 1, 2013.

(19) \$309,000 of the motor vehicle account--federal appropriation and ~~(\$27,000)~~ \$78,000 of the motor vehicle account--state appropriation are provided solely for the SR 9/SR 204 Intersection Improvement project (L2000040).

~~((21) \$2,134,000)~~ (20) \$3,385,000 of the motor vehicle account--federal appropriation and ~~(\$47,000)~~ \$50,000 of the motor vehicle account--state appropriation are provided solely for the US 12/Nine Mile Hill to Woodward Canyon Vic - Build New Highway project (501210T).

~~((22) \$294,000)~~ (21) \$5,791,000 of the Tacoma Narrows toll bridge account--state appropriation is provided solely for deferred sales tax expenses on the construction of the new Tacoma Narrows bridge. However, if chapter . . . (Senate Bill No. 6073), Laws of 2012 (sales tax exemption on SR 16 projects) is enacted by June 30, 2012, the amount provided in this subsection lapses.

(22) \$391,000 of the motor vehicle account--federal appropriation and ~~(\$13,000)~~ \$16,000 of the motor vehicle account--state appropriation are provided solely for the SR 16/Rosedale Street NW Vicinity - Frontage Road project (301639C). The frontage road must be built for driving speeds of no more than thirty-five miles per hour.

~~((1) \$1,000,000)~~ \$621,000 of the motor vehicle account--federal appropriation is provided solely for the SR 20/Race Road to Jacob's Road safety project (L2200042).

~~((24) \$24,002,000)~~ \$32,162,000 of the transportation partnership account--state appropriation is provided solely for the SR 28/ US 2 and US 97 Eastmont Avenue Extension project (202800D).

~~((25) \$569,000)~~ \$1,227,000 of the motor vehicle account--federal appropriation and ~~(\$9,000)~~ \$38,000 of the motor vehicle account--state appropriation are provided solely for design and right-of-way work on the I-82/Red Mountain Vicinity project (508208M). The department shall continue to work with the local partners in developing transportation solutions necessary for the economic growth in the Red Mountain American viticulture area of Benton county.

(26) \$1,500,000 of the motor vehicle account--federal appropriation is provided solely for the I-90 Comprehensive Tolling Study and Environmental Review project (100067T). The department shall undertake a comprehensive environmental review of tolling Interstate 90 between Interstate 5 and Interstate 405 for the purposes of both managing traffic and providing funding for construction of the unfunded state route number 520 from Interstate 5 to Medina project. The environmental review must include significant outreach to potentially affected communities. The department may consider traffic management options that extend as far east as Issaquah.

~~((9) \$9,422,000)~~ \$12,149,000 of the motor vehicle account--federal appropriation and ~~(\$193,000)~~ \$362,000 of the motor vehicle account--state appropriation are provided solely for the I-90/Sullivan Road to Barker Road - Additional Lanes project (609049N).

(28) Up to \$8,000,000 in savings realized on the I-90/Snoqualmie Pass East - Hyak to Keechelus Dam - Corridor project (509009B) may be used for design work on the next two-mile segment of the corridor. Any additional savings on this project must remain on the corridor. ~~(\$590,000 of the funds appropriated for this project may be used to purchase land currently owned by the state parks department.)~~ Project funds may not be used to build or improve

buildings until the plan described in section 604 of this act is complete.

(29) (~~(\$932,000)~~) \$657,000 of the motor vehicle account--federal appropriation is provided solely for the US 97A/North of Wenatchee - Wildlife Fence project (209790B).

(30) The department shall reconvene an expert review panel of no more than three members as described under RCW 47.01.400 for the purpose of updating the work that was previously completed by the panel on the Alaskan Way viaduct replacement project and to ensure that an appropriate and viable financial plan is created and regularly reviewed. The expert review panel must be selected cooperatively by the chairs of the senate and house of representatives transportation committees, the secretary of transportation, and the governor. The expert review panel must report findings and recommendations to the transportation committees of the legislature, the governor's Alaskan Way viaduct project oversight committee, and the transportation commission by October 2011, and annually thereafter until the project is operationally complete.

(31) It is important that the public and policymakers have accurate and timely access to information related to the Alaskan Way viaduct replacement project as it proceeds to, and during, the construction of all aspects of the project including, but not limited to, information regarding costs, schedules, contracts, project status, and neighborhood impacts. Therefore, it is the intent of the legislature that the state, city, and county departments of transportation establish a single source of accountability for integration, coordination, tracking, and information of all requisite components of the replacement project, which must include, at a minimum:

(a) A master schedule of all subprojects included in the full replacement project or program; and

(b) A single point of contact for the public, media, stakeholders, and other interested parties.

(32) Within the amounts provided in this section, \$20,000 of the motor vehicle account--state appropriation and \$980,000 of the motor vehicle account--federal appropriation are provided solely for the department to continue work on a comprehensive tolling study of the state route number 167 corridor (project 316718S). As funding allows, the department shall also continue work on a comprehensive tolling study of the state route number 509 corridor.

(33)(a) (~~(\$131,303,000)~~) \$137,022,000 of the transportation partnership account--state appropriation (~~(,--\$51,410,000)~~) and \$50,623,000 of the transportation 2003 account (nickel account)--state appropriation (~~(,--and \$10,000,000 of the motor vehicle account--federal appropriation)~~) are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8B11002). This project must be completed as soon as practicable as a design-build project and must be constructed with a footprint that would accommodate potential future express toll lanes.

(b) As part of the project, the department shall conduct a traffic and revenue analysis and complete a financial plan to provide additional information on the revenues, expenditures, and financing options available for active traffic management and congestion relief in the Interstate 405 and state route number 167 corridors. A report must be provided to the transportation committees of the legislature and the office of financial management by January 2012. However, this subsection (33)(b) is null and void if chapter . . . (Engrossed House Bill No. 1382), Laws of 2011 (I-405 express toll lanes) is enacted by June 30, 2011.

(c) Of the amount appropriated in (a) of this subsection, \$15,000,000 of the transportation partnership account--state appropriation is provided solely for the preliminary design and purchase of rights-of-way on the state route number 167 direct connector. It is the intent of the legislature to fund an additional \$25,000,000 of the transportation partnership account--state appropriation for the preliminary design and purchase of rights-of-way on the state route number 167 direct connector during the 2013-2015 biennium.

(34) Funding for a signal at state route number 507 and Yew Street is included in the appropriation for intersection and spot improvements (0B12002).

(35) (~~(\$226,809,000)~~) \$224,592,000 of the transportation partnership account--state appropriation and (~~(\$1,019,460,000)~~) \$898,286,000 of the state route number 520 corridor account--state appropriation are provided solely for the state route number 520 bridge replacement and HOV program (8B11003). When developing the financial plan for the program, the department shall assume that all maintenance and operation costs for the new facility are to be covered by tolls collected on the toll facility, and not by the motor vehicle account.

(36) (~~(\$650,000)~~) of the motor vehicle account--federal appropriation is provided solely for the SR 522 Improvements/61st Avenue NE and NE 181st Street project (L1000055).

(37)) \$500,000 of the motor vehicle account--state appropriation is provided solely for a multimodal corridor plan on state route number 520 between Interstate 405 and Avondale Road in Redmond (L1000054).

(37) \$300,000 of the motor vehicle account--federal appropriation is provided solely for the SR 523 Corridor study (L1000059).

(38) The department shall consider using the city of Mukilteo's off-site mitigation program in the event any projects on state route number 525 or 526 require environmental mitigation.

(39) Any savings on projects on the state route number 532 corridor must be used within the corridor to begin work on flood prevention and raising portions of the highway above flood and storm influences.

(40) The total appropriation provided in this section assumes enactment of chapter . . . (Second Substitute Senate Bill No. 5250), Laws of 2012 (design-build procedures) and reflects efficiencies and cost savings generated by this innovative design and contracting tool.

(41) Construction of a new traffic management center may not commence until the budget evaluation study in section 102(1) of this act is complete and the office of financial management has determined that a new traffic management center is the preferred option and has approved this project.

(42) The department shall itemize all future requests for the construction of new buildings on a project list. Each building construction project must be listed in the project list along with all other highway construction projects and submitted by the department as part of its budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(43) \$250,000 of the motor vehicle account--federal appropriation is provided solely for planning a proposed off-ramp eastbound from state route number 518 to Des Moines Memorial Drive in Burien (L1100045).

(44) \$1,100,000 of the motor vehicle account--federal appropriation is provided solely for preliminary engineering on the I-5/Marvin Road Interchange study (L2200087).

(45) \$400,000 of the motor vehicle account--federal appropriation is provided solely for the SR 150/No-See-Um Road Intersection - Realignment project (L2200092).

(46) \$750,000 of the motor vehicle account--federal appropriation is provided solely for preliminary engineering on the SR 305/Suquamish Way Intersection Improvements project (L2200093).

(47) \$700,000 of the motor vehicle account--federal appropriation is provided solely for the US 395/Lind Road Intersection project (L2200086).

**Sec. 306.** 2011 c 367 s 306 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--PRESERVATION--PROGRAM P

Transportation Partnership Account--State

Appropriation (~~(\$34,182,000)~~)

\$44,463,000  
 Motor Vehicle Account--State Appropriation (~~(\$67,790,000)~~)  
 \$81,741,000  
 Motor Vehicle Account--Federal Appropriation (~~(\$632,489,000)~~)  
 \$540,306,000  
 Motor Vehicle Account--Private/Local Appropriation (~~(\$19,253,000)~~)  
 \$21,585,000  
 Tacoma Narrows Toll Bridge Account--State  
 Appropriation \$259,000  
 Transportation 2003 Account (Nickel Account)--State  
 Appropriation \$23,000  
 TOTAL APPROPRIATION (~~(\$753,714,000)~~)  
 \$691,877,000

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document (~~(2011-4)~~) 2012-2 as developed (~~(April 19, 2011)~~) March 8, 2012, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 603 of this act.

(2) (The department shall, on a quarterly basis beginning July 1, 2011, provide to the office of financial management and the legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Funding provided at a programmatic level for transportation partnership account projects relating to seismic bridges must be reported on a programmatic basis. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget. The department shall work with the office of financial management and the transportation committees of the legislature to agree on report formatting and elements. Elements must include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection on a quarterly basis.

(3)) The department of transportation shall continue to implement the lowest life-cycle cost planning approach to pavement management throughout the state to encourage the most effective and efficient use of pavement preservation funds. Emphasis should be placed on increasing the number of roads addressed on time and reducing the number of roads past due.

(~~(5))~~ (3) Within the motor vehicle account--state appropriation and motor vehicle account--federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(~~(6))~~ (4) The department shall apply for surface transportation program enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in programs I and P.

(~~(7))~~ (5) The motor vehicle account--state appropriation includes up to \$17,652,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(~~(8))~~ (6) The department must work with cities and counties to develop a comparison of direct and indirect labor costs, overhead rates, and other costs for high-cost bridge inspections charged by the state, counties, and other entities. The comparison is due to the transportation committees of the legislature on September 1, 2011.

(~~(9) \$277,000)~~ (7) \$789,000 of the motor vehicle account--federal appropriation and (~~(\$10,000)~~) \$6,000 of the motor vehicle account--state appropriation are provided solely for the environmental

impact statement and preliminary planning for the replacement of the state route number 9 Snohomish river bridge (project L2000018).

(~~(10) \$9,641,000)~~ (8) \$10,843,000 of the motor vehicle account--federal appropriation, (~~(\$2,000,000)~~) \$1,992,000 of the motor vehicle account--private/local appropriation, and (~~(\$361,000)~~) \$390,000 of the motor vehicle account--state appropriation are provided solely for the SR 21/Keller Ferry - Replace Boat project (602110J).

(~~(11) \$3,093,000)~~ (9) \$165,000 of the motor vehicle account--federal appropriation is provided solely for the I-90/Ritzville to Tokio - Paving of Outside Lanes project (609041G).

(~~(12) \$2,733,000)~~ (10) \$5,565,000 of the motor vehicle account--federal appropriation and (~~(\$114,000)~~) \$232,000 of the motor vehicle account--state appropriation are provided solely for the SR 167/Puyallup River Bridge Replacement project (316725A). This project must be completed as a design-build project. The department must work with local jurisdictions and the community during the environmental review process to develop appropriate esthetic design elements, at no additional cost to the department, and traffic management plans pertaining to this project. The department must report to the transportation committees of the legislature on estimated cost and/or time savings realized as a result of using the design-build process.

(~~(13) \$295,000)~~ (11) \$507,000 of the motor vehicle account--federal appropriation and (~~(\$5,000)~~) \$13,000 of the motor vehicle account--state appropriation are provided solely for the SR 906/Travelers Rest - Building Renovation project (090600A).

(12) The department shall submit a renewal and rehabilitation plan for the new state route number 16 Tacoma Narrows bridge as a decision package as part of its 2013-2015 biennial budget submittal.

**Sec. 307.** 2011 c 367 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--TRAFFIC OPERATIONS--PROGRAM Q--CAPITAL  
 Motor Vehicle Account--State Appropriation (~~(\$6,439,000)~~)  
 \$8,779,000  
 Motor Vehicle Account--Federal Appropriation (~~(\$5,600,000)~~)  
 \$7,283,000  
 TOTAL APPROPRIATION (~~(\$12,039,000)~~)  
 \$16,062,000

The appropriations in this section are subject to the following conditions and limitations: \$1,000,000 of the motor vehicle account--state appropriation for project 000005Q is provided solely for state matching funds for federally selected competitive grants or congressional earmark projects. These moneys must be placed into reserve status until such time as federal funds are secured that require a state match.

**Sec. 308.** 2011 c 367 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W  
 Puget Sound Capital Construction Account--State  
 Appropriation (~~(\$68,013,000)~~)  
 \$61,965,000  
 Puget Sound Capital Construction Account--Federal  
 Appropriation (~~(\$41,500,000)~~)  
 \$61,736,000  
 Puget Sound Capital Construction Account--Private/Local  
 Appropriation \$200,000  
 Transportation 2003 Account (Nickel Account)--State  
 Appropriation (~~(\$118,027,000)~~)  
 \$119,000,000  
 Transportation Partnership Account--State  
 Appropriation (~~(\$12,536,000)~~)  
 \$12,838,000

## Multimodal Transportation Account--State

Appropriation (~~(\$43,265,000)~~)

\$27,527,000

TOTAL APPROPRIATION (~~(\$283,341,000)~~)

\$284,194,000

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

(1) (~~(\$68,013,000 of the Puget Sound capital construction account--state appropriation, \$41,500,000 of the Puget Sound capital construction account--federal appropriation, \$12,536,000 of the transportation partnership account--state appropriation, \$118,027,000 of the transportation 2003 account (nickel account)--state appropriation, and \$43,265,000 of the multimodal transportation account--state appropriation are provided solely for ferry projects,)~~ Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document ((2011-2)) 2012-1 ALL PROJECTS as developed ((April 19, 2011)) March 8, 2012, Program - Washington State Ferries Capital Program (W).

(2) The department shall work with the department of archaeology and historic preservation to ensure that the cultural resources investigation is properly conducted on all large ferry terminal projects. These projects must be conducted with active archaeological management.

(3) The multimodal transportation account--state appropriation includes up to (~~(\$43,265,000)~~) \$27,527,000 in proceeds from the sale of bonds authorized in RCW 47.10.867.

(4) (~~The transportation 2003 account (nickel account)--state appropriation includes up to \$82,143,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.~~)

(5)) The Puget Sound capital construction account--state appropriation includes up to (~~(\$52,516,000)~~) \$45,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.843.

(~~(7) \$20,906,000)~~ (5) \$17,970,000 of the transportation 2003 account (nickel account)--state appropriation (~~(, \$9,711,000 of the multimodal transportation account--state appropriation, and \$1,537,000 of the Puget Sound capital construction account--state appropriation are))~~ is provided solely for the acquisition of new Kwadi-tabil class ferry vessels (project 944470A) subject to the conditions of RCW 47.56.780.

(~~(8) \$33,404,000)~~ (6) \$25,404,000 of the multimodal transportation account--state appropriation, (~~(\$2,000,000)~~) \$1,000,000 of the Puget Sound capital construction account--(~~state)~~ federal appropriation, \$11,500,000 of the transportation partnership account--state appropriation, and (~~(\$81,085,000)~~) \$85,924,000 of the transportation 2003 account (nickel account)--state appropriation are provided solely for the acquisition of (~~(two) one~~) one 144-car vessel (~~(contingent upon new and sufficient resources. Of these amounts, \$123,828,000 is provided solely for the first 144 car vessel))~~ (project L2200038). The department shall use as much already procured equipment as practicable on the 144-car vessel. The vendor must present to the joint transportation committee and the office of financial management, by August 15, 2011, a list of options that will result in significant cost savings changes in terms of construction or the long-term maintenance and operations of the vessel. The vendor must allow for exercising the options without a penalty. If neither chapter ... (Engrossed Substitute Senate Bill No. 5742), Laws of 2011 nor chapter ... (House Bill No. 2083), Laws of 2011 is enacted by June 30, 2011, \$75,000,000 of the transportation 2003 account (nickel account)--state appropriation in this subsection lapses.

(~~(9)~~) The department shall provide to the office of financial management and the legislature quarterly reports providing the status on each project listed in this section and in the project lists submitted pursuant to this act and on any additional projects for which the department has expended funds during the 2011-2013 fiscal

biennium. Elements must include, but not be limited to, project scope, schedule, and costs. The department shall also provide the information required under this subsection via the transportation executive information system. The quarterly report regarding the status of projects identified on the list referenced in subsection (1) of this section must be developed according to an earned value method of project monitoring.

(~~(11) \$3,932,000)~~ (7) \$5,749,000 of the total appropriation is provided solely for continued permitting work on the Mukilteo ferry terminal (project 952515P). The department shall seek additional federal funding for this project. Prior to beginning terminal improvements, the department shall report to the legislature on the final environmental impact statement by December 31, 2012. The report must include an overview of the costs and benefits of each of the alternatives considered, as well as an identification of costs and a funding plan for the preferred alternative.

(~~(14)~~) (8) The department shall review all terminal project cost estimates to identify projects where similar design requirements could result in reduced preliminary engineering or miscellaneous items costs. The department shall report to the legislature by September 1, 2011. The report must use programmatic design and include estimated cost savings by reducing repetitive design costs or miscellaneous costs, or both, applied to projects.

(~~(14) \$2,000,000)~~ (9) \$3,000,000 of the Puget Sound capital construction account--state appropriation is provided solely for emergency capital repair costs (project 999910K). Funds may be spent only after approval from the office of financial management.

(~~(15) \$7,167,000)~~ (10) \$4,851,000 of the Puget Sound capital construction account--state appropriation is provided solely for the reservation and communications system projects (L200041 & L200042).

(11) \$1,000,000 of the Puget Sound capital construction account--state appropriation is provided solely for security and operational planning as a first step in introducing liquid natural gas (LNG) to the Washington ferry fleet, including the issuance of a request for proposals (RFP). \$750,000 is provided solely for the department to work with appropriate agencies of the state and federal government to amend the state's current alternative security plan to account for the use of LNG as a propulsion fuel in the ferry fleet, and to begin public outreach efforts. \$250,000 is provided solely to issue an RFP for a design-build contract to fully convert the existing diesel powered Issaquah class fleet to be solely powered by LNG. The successful bidder must be awarded the \$250,000 appropriation and must be able to offer detailed design services, attain coast guard approval regarding vessel safety and any other requirements pertaining to design, acquire engines with LNG as a sole fuel source, provide public outreach and education regarding the conversion of ferry vessels to LNG, perform all conversion work, and supply dependable and suitable quantities of LNG. The RFP must include incentives for proposals that include alternative financing arrangements, such as a delayed payment plan based on fuel savings. To the extent allowable under current law, the bidder awarded the design-build contract for converting the Issaquah fleet to LNG under this subsection must be given bidding preferences in any future LNG-related ferry proposals or projects. The RFP referenced in this subsection must be issued by the department by August 1, 2012. The department must provide a report to the joint transportation committee on the development of the RFP in July 2012 and an update report again in September 2012.

(12) \$500,000 of the Puget Sound capital construction account--state appropriation is provided solely for the ADA visual paging project (L2200083). If any new federal grants are received by the department that may supplant the state funds in this appropriation, the state funds in this appropriation must be placed in unallotted status.

(13) Consistent with RCW 47.60.662, which requires the Washington state ferry system to collaborate with passenger-only ferry and transit providers to provide service at existing terminals, the

department shall ensure that multimodal access, including for passenger-only ferries and transit service providers, is not precluded by any future modifications at the terminal.

**Sec. 309.** 2011 c 367 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--RAIL--PROGRAM Y--CAPITAL

Essential Rail Assistance Account--State

Appropriation (~~(\$1,000,000)~~)

\$1,565,000

Transportation Infrastructure Account--State

Appropriation (~~(\$5,838,000)~~)

\$5,693,000

Multimodal Transportation Account--State

Appropriation (~~(\$2,000,000)~~)

\$58,220,000

Multimodal Transportation Account--Federal

Appropriation (~~(\$366,344,000)~~)

\$236,597,000

Multimodal Transportation Account--Private/Local

Appropriation (~~(\$1,292,000)~~)

\$1,010,000

TOTAL APPROPRIATION (~~(\$426,444,000)~~)

\$303,085,000

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

(1)(a) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document (~~(2011-2)~~) 2012-1 ALL PROJECTS as developed (~~(April 19, 2011)~~) March 8, 2012, Program-Rail Capital Program (Y).

(b) Within the amounts provided in this section, (~~(\$2,903,000)~~) \$4,757,000 of the transportation infrastructure account--state appropriation is for low-interest loans through the freight rail investment bank program for specific projects listed as recipients of these loans in the LEAP transportation document identified in (a) of this subsection. The department shall issue freight rail investment bank program loans with a repayment period of no more than ten years, and only so much interest as is necessary to recoup the department's costs to administer the loans.

(c) Within the amounts provided in this section, (~~(\$1,754,000)~~) \$2,047,000 of the multimodal transportation account--state appropriation, \$10,000 of the multimodal transportation account--private/local appropriation, and \$1,000,000 of the essential rail assistance account--state appropriation are for statewide emergent freight rail assistance projects identified in the LEAP transportation document identified in (a) of this subsection.

(2)(a) ((If any funds remain in the program reserves (F01001A & F01000A) for the program and projects listed in subsection (1)(b) and (c) of this section,)) The department shall issue a call for projects for the freight rail investment bank (FRIB) loan program and the emergent freight rail assistance program (FRAP) grants, and shall evaluate the applications according to the cost-benefit methodology developed during the 2008 interim using the legislative priorities specified in (c) of this subsection. Unsuccessful FRAP grant applicants should be encouraged to apply to the FRIB loan program, if eligible. By November 1, (~~(2011)~~) 2012, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(b) When the department identifies a prospective rail project that may have strategic significance for the state, or at the request of a proponent of a prospective rail project or a member of the legislature, the department shall evaluate the prospective project according to the cost-benefit methodology developed during the 2008 interim using

the legislative priorities specified in (c) of this subsection. The department shall report its cost-benefit evaluation of the prospective rail project, as well as the department's best estimate of an appropriate construction schedule and total project costs, to the office of financial management and the transportation committees of the legislature.

(c) The legislative priorities to be used in the cost-benefit methodology are, in order of relative importance:

(i) Economic, safety, or environmental advantages of freight movement by rail compared to alternative modes;

(ii) Self-sustaining economic development that creates family-wage jobs;

(iii) Preservation of transportation corridors that would otherwise be lost;

(iv) Increased access to efficient and cost-effective transport to market for Washington's agricultural and industrial products;

(v) Better integration and cooperation within the regional, national, and international systems of freight distribution; and

(vi) Mitigation of impacts of increased rail traffic on communities.

(3) The department is directed to expend unallocated federal rail crossing funds in lieu of or in addition to state funds for eligible costs of projects in program Y.

(4) The department shall provide quarterly reports to the office of financial management and the transportation committees of the legislature regarding applications that the department submits for federal funds and the status of such applications.

(5) ((The department shall, on a quarterly basis, provide to the office of financial management and the legislature reports providing the status on active projects identified in the LEAP transportation document described in subsection (1)(a) of this section. Report formatting and elements must be consistent with the October 2009 quarterly project report.

(6)) The multimodal transportation account--state appropriation includes up to (~~(\$19,684,000)~~) \$12,103,000 in proceeds from the sale of bonds authorized in RCW 47.10.867.

((7) When the balance of that portion of the miscellaneous program account apportioned to the department for the grain train program reaches \$1,180,000, the department shall acquire additional grain train railcars.

(8) \$1,087,000 of the multimodal transportation account--state appropriation is provided solely as state matching funds for successful grant applications to either the federal rail line relocation and improvement program (project 798999D) or new federal high-speed rail grants.

(9)) (6) The Burlington Northern Santa Fe Skagit river bridge is an integral part of the rail system. Constructed in 1916, the bridge does not meet current design standards and is at risk during flood events that occur on the Skagit river. The department shall work with Burlington Northern Santa Fe and local jurisdictions to secure federal funding for the Skagit river bridge and to develop an appropriate replacement plan and schedule.

((~~(10) \$339,139,000~~) (7) \$218,341,000 of the multimodal transportation account--federal appropriation and (~~(\$5,099,000)~~) \$3,639,000 of the multimodal transportation account--state appropriation are provided solely for expenditures related to passenger high-speed rail grants. At one and one-half percent of the total project funds, the multimodal transportation account--state funds are provided solely for expenditures that are not federally reimbursable. Funding in this subsection is the initial portion of multiyear high-speed rail program grants awarded to Washington state for high-speed intercity passenger rail investments. Funding will allow for two additional round trips between Seattle and Portland and other rail improvements.

((~~(11)~~) (8) \$750,000 of the multimodal transportation account--state appropriation is provided solely for the Port of Royal Slope rehabilitation project (L1000053). Funding is contingent upon the

project completing the rail cost-benefit methodology process developed during the 2008 interim using the legislative priorities outlined in subsection (2)(c) of this section.

(9) As allowable under federal rail authority rules and existing competitive bidding practices, when purchasing new train sets, the department shall give preference to bidders that propose train sets with characteristics and maintenance requirements most similar to those currently owned by the department.

(10) Funds generated by the grain train program are solely for operating, sustaining, and enhancing the grain train program including, but not limited to, operations, capital investments, inspection, developing business plans for future growth, and fleet management. Any funds deemed by the department, in consultation with relevant port districts, to be in excess of current operating needs or capital reserves of the grain train program may be transferred from the miscellaneous program account to the essential rail assistance account for the purpose of sustaining the grain train program through maintaining the Palouse river and Coulee City railroad line, on which the grain train program operates.

(11) \$500,000 of the essential rail assistance account--state appropriation is provided solely for the purpose of rehabilitation and maintenance of the Palouse river and Coulee City railroad line. Expenditures from this appropriation may not exceed the combined total of:

(a) The revenues deposited into the essential rail assistance account from leases and sale of property pursuant to RCW 47.76.290; and

(b) Revenues transferred from the miscellaneous program account for the purpose of sustaining the grain train program through maintaining the Palouse river and Coulee City railroad line.

(12) \$200,000 of the multimodal transportation account--state appropriation is provided solely for the Clark county chelatchie prairie rail road (project L2200085).

**Sec. 310.** 2011 c 367 s 310 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--CAPITAL

Highway Infrastructure Account--State Appropriation \$207,000

Highway Infrastructure Account--Federal

Appropriation \$1,602,000

Motor Vehicle Account--State Appropriation (~~(\$3,754,000)~~)

\$4,179,000

Motor Vehicle Account--Federal Appropriation (~~(\$31,856,000)~~)

\$37,935,000

Freight Mobility Investment Account--State

Appropriation \$11,278,000

Transportation Partnership Account--State

Appropriation (~~(\$6,035,000)~~)

\$7,181,000

Freight Mobility Multimodal Account--State

Appropriation (~~(\$15,117,000)~~)

\$15,668,000

Freight Mobility Multimodal Account--Local

Appropriation (~~(\$4,752,000)~~)

\$2,834,000

Multimodal Transportation Account--State

Appropriation (~~(\$18,453,000)~~)

\$22,575,000

Passenger Ferry Account--State Appropriation \$1,115,000

TOTAL APPROPRIATION (~~(\$94,169,000)~~)

\$104,574,000

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

(1) (The department shall, on a quarterly basis beginning July 1, 2011, provide to the office of financial management and the

legislature reports providing the status on each active project funded in part or whole by the transportation 2003 account (nickel account) or the transportation partnership account. Report formatting and elements must be consistent with the October 2009 quarterly project report. The department shall also provide the information required under this subsection on a quarterly basis via the transportation executive information system.

(2)) \$1,115,000 of the passenger ferry account--state appropriation is provided solely for near and long-term costs of capital improvements and operating expenses that are consistent with the business plan approved by the governor for passenger ferry service.

((3)) (2) The department shall apply for surface transportation program enhancement funds to be expended in lieu of or in addition to state funds for eligible costs of projects in local programs, program Z--capital.

((4)) (3) Federal funds may be transferred from program Z to programs I and P and state funds must be transferred from programs I and P to program Z to replace those federal funds in a dollar-for-dollar match. Fund transfers authorized under this subsection shall not affect project prioritization status. Appropriations must initially be allotted as appropriated in this act. The department may not transfer funds as authorized under this subsection without approval of the office of financial management. The department shall submit a report on those projects receiving fund transfers to the office of financial management and the transportation committees of the legislature by December 1, 2011, and December 1, 2012.

((5)) (4) The city of Winthrop may utilize a design-build process for the Winthrop bike path project.

((6) ~~(\$11,557,000)~~) (5) \$14,813,000 of the multimodal transportation account--state appropriation, (~~(\$12,136,000)~~) \$12,804,000 of the motor vehicle account--federal appropriation, and (~~(\$5,195,000)~~) \$6,241,000 of the transportation partnership account--state appropriation are provided solely for the pedestrian and bicycle safety program projects and safe routes to schools program projects identified in: LEAP Transportation Document 2011-A, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed April 19, 2011; LEAP Transportation Document 2009-A, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed March 30, 2009; LEAP Transportation Document 2007-A, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed April 20, 2007; and LEAP Transportation Document 2006-B, pedestrian and bicycle safety program projects and safe routes to schools program projects, as developed March 8, 2006. Projects must be allocated funding based on order of priority. The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and identify where unused grant funds remain because actual project costs were lower than estimated in the grant award.

((7)) (6) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document (~~(2011-2)~~) 2012-1 ALL PROJECTS as developed (~~(April 19, 2011)~~) March 8, 2012, Program - Local Program (S).

((8)) (7) For the 2011-2013 project appropriations, unless otherwise provided in this act, the director of the office of financial management may authorize a transfer of appropriation authority between projects managed by the freight mobility strategic investment board and may also advance projects in future biennia, as identified in LEAP Transportation Document 2012-1 ALL

PROJECTS as developed March 8, 2012, into the current biennium in order for the board to manage project spending and efficiently deliver all projects in the respective program.

~~((9))~~ (8) With each department budget submittal, the department shall provide an update on the status of the repayment of the twenty million dollars of unobligated federal funds authority advanced by the department in September 2010 to the city of Tacoma for the Murray Morgan/11th Street bridge project.

((10)) The department shall prepare a list of main street projects, consistent with chapter ... (Engrossed Substitute House Bill No. 1071), Laws of 2011, for approval in the 2013-2015 fiscal biennium. In order to ensure that any proposed list of projects is consistent with legislative intent, the department shall provide a report to the joint transportation committee by December 1, 2011. The report must identify the eligible segments of main streets highways, the department's proposed project selection and ranking method, criteria to be considered, and a plan for soliciting project proposals.

((11)) (9) If funding is specifically designated in this act for main street projects, the department shall prepare a list of projects that is consistent with chapter 257, Laws of 2011, for approval in the 2013-2015 fiscal biennium.

~~((10))~~ (10) \$267,000 of the motor vehicle account--state appropriation and \$2,859,000 of the motor vehicle account--federal appropriation are provided solely for completion of the US 101 northeast peninsula safety rest area and associated roadway improvements east of Port Angeles at the Deer Park scenic view point (3LP187A). The department must surplus any right-of-way previously purchased for this project near Sequim. Approval to proceed with construction is contingent on surplus of previously purchased right-of-way.

~~((12))~~ (11) Up to ~~((3,650,000))~~ \$3,702,000 of the motor vehicle account--federal appropriation and ~~((23,000))~~ \$75,000 of the motor vehicle account--state appropriation are provided solely to reimburse the cities of Kirkland and Redmond for pavement and bridge deck rehabilitation on state route number 908 (1LP611A). These funds may not be expended unless the cities sign an agreement stating that the cities agree to take ownership of state route number 908 in its entirety and agree that the payment of these funds represents the entire state commitment to the cities for state route number 908 expenditures.

~~((13))~~ (12) \$225,000 of the multimodal transportation account--state appropriation is provided solely for the Shell Valley emergency road and bicycle/pedestrian path (L1000036).

~~((14) \$150,000)~~ (13) \$188,000 of the motor vehicle account--state appropriation is provided solely for flood reduction solutions on state route number 522 caused by the lower McAleer and Lyon creek basins (L1000041).

~~((15))~~ (14) \$896,000 of the multimodal transportation account--state appropriation is provided solely for realignment of Parker Road and construction of secondary access off of state route number 20 (L2200040).

~~((16))~~ (15) An additional \$2,500,000 of the motor vehicle account--federal appropriation is provided solely for the Strander Blvd/SW 27th St Connection project (1LP902F), which amount is reflected in the LEAP transportation document identified in subsection ~~((7))~~ (6) of this section. These funds may only be committed if needed, may not be used to supplant any other committed project partnership funding, and must be the last funds expended.

~~((17))~~ (16) \$500,000 of the motor vehicle account--federal appropriation is provided solely for safety improvements at the intersection of South Wapato and McDonald Road (L1000052).

~~((18))~~ (17) \$2,000,000 of the multimodal transportation account--state appropriation is provided solely for the state route number 432 rail realignment and highway improvements project (L1000056).

~~((19))~~ (18) \$500,000 of the multimodal transportation account--state appropriation is provided solely for a multimodal corridor plan on state route number 520 between Interstate 405 and Avondale Road in Redmond (L1000054).

(20)) (18) \$100,000 of the motor vehicle account--federal appropriation is provided solely for state route number 164 and Auburn Way South pedestrian improvements (L1000057).

~~((21))~~ (19) \$115,000 of the motor vehicle account--federal appropriation is provided solely for median street lighting on state route number 410 (L1000058).

~~((22))~~ (20) \$60,000 of the multimodal transportation account--state appropriation is provided solely for a cross docking study for the port of Douglas county (L1000060).

~~((23))~~ (21) \$100,000 of the motor vehicle account--federal appropriation is provided solely for city of Auburn - 8th and R Street NE intersection improvements (L2200043).

~~((24))~~ (22) \$65,000 of the multimodal transportation account--state appropriation is provided solely for the Puget Sound regional council to further the implementation of multimodal concurrency practice through a transit service overlay zone implemented at the local level (L1000061). This approach will improve the linkage of land use and transportation investment decisions, improve the efficiency of transit service by encouraging transit-supportive development, provide incentives for developers, and support integrated regional growth, economic development, and transportation plans. In carrying out this work, the council shall involve representatives from cities and counties, developers, transit agencies, and other interested stakeholders, and shall consult with other regional transportation planning organizations across the state. The council shall report the results of their work and recommendations to the joint transportation committee by December 2011, with a final report to the transportation committees of the legislature by January 31, 2012.

(23) \$1,750,000 of the motor vehicle account--federal appropriation is provided solely for the SR 522 Improvements/61st Avenue NE and NE 181st Street project (L1000055).

(24) The department shall implement a call for projects eligible for the bicycle and pedestrian grant program similar to the call for projects conducted in 2010, although the department may adjust the criteria to include mobility and connectivity. The department shall include a list of prioritized bicycle and pedestrian grant projects for approval in the 2013-2015 biennial transportation budget.

(25) \$100,000 of the multimodal transportation account--state appropriation is provided solely for the design of a stand-alone ADA accessible bicycle/pedestrian bridge across the Sultan river in the city of Sultan (L1100044).

(26) \$445,000 of the motor vehicle account--federal appropriation is provided solely for pedestrian lighting on the main span of the Chehalis river bridge in Aberdeen (L1100046).

(27) \$500,000 of the motor vehicle account--federal appropriation is provided solely for resurfacing Alder Avenue in the city of Sultan (L1100047).

(28) \$800,000 of the motor vehicle account--federal appropriation is provided solely for rights-of-way acquisition on state route number 516 from Jenkins creek to 185th (L2000017).

(29) \$1,100,000 of the motor vehicle account--federal appropriation is provided solely for traffic analysis, right-of-way, and design work on the 31st Avenue Southwest overpass on Puyallup's South Hill (L1100048).

(30) \$2,000,000 of the motor vehicle account--federal appropriation is provided solely for environmental documentation and preliminary engineering for the Scott Avenue Reconnection Project in the city of Woodland (L1100049).

(31) \$350,000 of the motor vehicle account--federal appropriation is provided solely for preliminary engineering and rights-of-way on the Slater Road Bridge project (L2200089).

(32) \$380,000 of the motor vehicle account--federal appropriation is provided solely for rehabilitation work for 156th/160th Avenue in the city of Covington (L2200088).

(33) \$380,000 of the motor vehicle account--federal appropriation is provided solely for improvements to Penney Avenue in the town of Naches (L2200090).

(34) \$450,000 of the motor vehicle account--federal appropriation is provided solely for preliminary engineering on NW Friberg Street and Goodwin Road in the city of Camas (L2200091).

**NEW SECTION. Sec. 311.** A new section is added to 2011 c 367 (uncodified) to read as follows:

**REPORTING REQUIREMENTS FOR CAPITAL PROGRAM**

On a quarterly basis, the department of transportation shall provide to the office of financial management and the legislative transportation committees the following reports for all capital programs:

(1) For active projects, the report must include:

(a) A TEIS version containing actual capital expenditures for all projects consistent with the structure of the most recently enacted budget;

(b) Anticipated cost savings, cost increases, reappropriations, and schedule adjustments for all projects consistent with the structure of the most recently enacted budget;

(c) The award amount, the engineer's estimate, and the number of bidders for all active projects consistent with the structure of the most recently enacted budget;

(d) Projected costs and schedule for individual projects that are funded at a programmatic level for projects relating to bridge rail, guard rail, fish passage barrier removal, roadside safety projects, and seismic bridges. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget;

(e) Highway projects that may be reduced in scope and still achieve a functional benefit;

(f) Highway projects that have experienced scope increases and that can be reduced in scope;

(g) Highway projects that have lost significant local or regional contributions that were essential to completing the project; and

(h) Contingency amounts for all projects consistent with the structure of the most recently enacted budget.

(2) For completed projects, the report must:

(a) Compare the original project cost estimates and schedule approved in the transportation 2003 and 2005 transportation partnership project lists to the completed cost of the project;

(b) Compare the costs and operationally complete date for projects on the transportation 2003 and 2005 transportation partnership project lists to the last legislatively adopted project list prior to the completion of a project;

(c) Compare the costs and operationally complete date for projects with budgets of twenty million dollars that are funded with preexisting funds to the original project cost estimates and schedule; and

(d) Provide a list of nickel and TPA projects charging to the nickel/TPA environmental mitigation reserve (OBI4ENV) and the amount each project is charging.

(3) For prospective projects, the report must:

(a) Identify the estimated advertisement date for all projects consistent with the structure of the most recently enacted budget that are going to advertisement during the current biennium;

(b) Identify the anticipated operationally complete date for all projects consistent with the structure of the most recently enacted budget that are going to advertisement during the current biennium; and

(c) Identify the estimated cost of completion for all projects consistent with the structure of the most recently enacted budget that are going to advertisement during the current biennium.

**TRANSFERS AND DISTRIBUTIONS**

**Sec. 401.** 2011 c 367 s 401 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Highway Bond Retirement Account--State

Appropriation (~~(\$920,560,000)~~)

\$879,501,000

Ferry Bond Retirement Account--State Appropriation \$31,801,000

State Route Number 520 Corridor Account--State

Appropriation (~~(\$1,075,000)~~)

\$3,818,000

Transportation Improvement Board Bond Retirement

Account--State Appropriation (~~(\$16,544,000)~~)

\$16,482,000

Nondebt-Limit Reimbursable Account Appropriation (~~(\$25,200,000)~~)

\$22,476,000

Transportation Partnership Account--State

Appropriation (~~(\$3,142,000)~~)

\$3,654,000

Motor Vehicle Account--State Appropriation (~~(\$333,000)~~)

\$382,000

Transportation 2003 Account (Nickel Account)--State

Appropriation (~~(\$1,140,000)~~)

\$1,305,000

Transportation Improvement Account--State

Appropriation \$29,000

Multimodal Transportation Account--State

Appropriation (~~(\$138,000)~~)

\$158,000

Toll Facility Bond Retirement Account--State

Appropriation (~~(\$33,792,000)~~)

\$48,807,000

Toll Facility Bond Retirement Account--Federal

Appropriation (~~(\$14,649,000)~~)

\$7,500,000

TOTAL APPROPRIATION (~~(\$1,048,403,000)~~)

\$1,015,913,000

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

(1) \$4,610,000 of the highway bond retirement account--state appropriation is provided solely for debt service on bonds issued to construct a ferry boat vessel with a carrying capacity of one hundred forty-four cars. If neither chapter ... (House Bill No. 2083), Laws of 2011 nor chapter ... (Engrossed Substitute Senate Bill No. 5742) is enacted by June 30, 2011, the amount provided in this subsection lapses.

(2) \$165,000 of the transportation 2003 account (nickel account)--state appropriation is provided solely for discounts on bonds sold to construct a ferry boat vessel with a carrying capacity of one hundred forty-four cars. If neither chapter ... (House Bill No. 2083), Laws of 2011 nor chapter ... (Engrossed Substitute Senate Bill No. 5742) is enacted by June 30, 2011, the amount provided in this subsection lapses.))

**Sec. 402.** 2011 c 367 s 402 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND

## TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

State Route Number 520 Corridor Account--State  
 Appropriation (~~(\$68,000)~~)  
 \$960,000

Transportation Partnership Account--State  
 Appropriation (~~(\$608,000)~~)  
 \$587,000

Motor Vehicle Account--State Appropriation (~~(\$60,000)~~)  
 \$58,000

Transportation 2003 Account (Nickel Account)--State  
 Appropriation (~~(\$219,000)~~)  
 \$255,000

Transportation Improvement Account--State Appropriation \$5,000

Multimodal Transportation Account--State  
 Appropriation (~~(\$26,000)~~)  
 \$23,000

TOTAL APPROPRIATION (~~(\$986,000)~~)  
 \$1,888,000

((The appropriations in this section are subject to the following conditions and limitations: \$30,000 of the transportation 2003 account (nickel account)--state appropriation is provided solely for expenses associated with bonds sold to construct a ferry boat vessel with a carrying capacity of one hundred forty-four cars. If neither chapter ... (House Bill No. 2083), Laws of 2011 nor chapter ... (Engrossed Substitute Senate Bill No. 5742) is enacted by June 30, 2011, the amount provided in this subsection lapses.))

**Sec. 403.** 2011 c 367 s 403 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR MVFT BONDS AND TRANSFERS  
 Motor Vehicle Account--State Appropriation: For transfer to the Puget Sound Capital Construction Account (~~(\$52,516,000)~~)  
 \$45,000,000

The department of transportation is authorized to sell up to (~~(\$52,516,000)~~) \$45,000,000 in bonds authorized by RCW 47.10.843 for vessel and terminal acquisition, major and minor improvements, and long lead-time materials acquisition for the Washington state ferries. (~~Of the authorized amounts, \$14,500,000 is provided solely for expenditures made during the fiscal biennium ending June 30, 2011.~~)

**Sec. 404.** 2011 c 367 s 404 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION  
 Motor Vehicle Account--State Appropriation for motor vehicle fuel tax distributions to cities and counties (~~(\$478,155,000)~~)  
 \$470,701,000

**Sec. 405.** 2011 c 367 s 405 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS  
 Motor Vehicle Account--State Appropriation: For motor vehicle fuel tax refunds and statutory transfers (~~(\$1,246,357,000)~~)  
 \$1,227,005,000

**Sec. 406.** 2011 c 367 s 406 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING--TRANSFERS  
 Motor Vehicle Account--State Appropriation: For motor vehicle fuel tax refunds and transfers (~~(\$127,984,000)~~)  
 \$151,870,000

**Sec. 407.** 2011 c 367 s 407 (uncodified) is amended to read as follows:

## FOR THE STATE TREASURER--ADMINISTRATIVE TRANSFERS

(1) ((Tacoma Narrows Toll Bridge Account--State Appropriation: For transfer to the Motor Vehicle Account--State \$543,000

(2)) Motor Vehicle Account--State Appropriation:

For transfer to the Puget Sound Ferry Operations

Account--State (~~(\$46,500,000)~~)

\$45,500,000

((~~(3)~~) (2) Recreational Vehicle Account--State

Appropriation: For transfer to the Motor Vehicle

Account--State (~~(\$1,450,000)~~)

\$1,150,000

((~~(4)~~) (3) License Plate Technology Account--State

Appropriation: For transfer to the Highway Safety

Account--State (~~(\$3,200,000)~~)

\$3,000,000

((~~(5)~~) (4) Multimodal Transportation Account--State

Appropriation: For transfer to the Puget Sound

Ferry Operations Account--State (~~(\$43,000,000)~~)

\$42,000,000

((~~(6)~~) (5) Highway Safety Account--State Appropriation:

For transfer to the Motor Vehicle Account--State \$23,000,000

((~~(7)~~) Department of Licensing Services Account

--State Appropriation: For transfer to the Motor Vehicle

Account--State, \$400,000

(8)) (~~(6)~~) Advanced Right-of-Way Revolving Fund: For

transfer to the Motor Vehicle Account--State \$5,000,000

((~~(9)~~) State Route Number 520 Civil Penalties

Account--State Appropriation: For transfer to the

State Route Number 520 Corridor Account--State \$754,000

(10)) (~~(7)~~) Rural Mobility Grant Program Account--State

Appropriation: For transfer to the Multimodal

Transportation Account--State \$3,000,000

((~~(11)~~) (8) Motor Vehicle Account--State

Appropriation: For transfer to the State Patrol

Highway Account--State (~~(\$14,000,000)~~)

\$16,000,000

((~~(12)~~) (9) State Route Number 520 Corridor

Account--State Appropriation: For transfer to the

Motor Vehicle Account--State (, in an amount equal to

funds dispersed during the 2009-2011 fiscal biennium

authorized under section 805(7) of this act.) \$58,000

((~~(13)~~) (10) Motor Vehicle Account--State

Appropriation: For transfer to the Special Category C

Account--State (~~(\$1,500,000)~~)

\$2,500,000

((~~(14)~~) (11) Regional Mobility Grant Program

Account--State Appropriation: For transfer to the

Multimodal Transportation Account--State \$1,000,000

((~~(15)~~) (12) State Patrol Highway Account--State

Appropriation: For transfer to the Vehicle

Licensing Fraud Account \$100,000

((~~(16)~~) State Route Number 520 Corridor Account--State

Appropriation: For transfer to the Motor Vehicle

Account \$2,435,000))

(13) Capital Vessel Replacement Account--State

Appropriation: For transfer to the Transportation 2003

Account (Nickel Account)--State \$6,367,000

((~~(17)~~) (14) The transfers identified in this section are subject to

the following conditions and limitations:

(a) ((The amount transferred in subsection (1) of this section

represents repayment of operating loans and reserve payments

provided to the Tacoma Narrows toll bridge account from the motor

vehicle account in the 2005-2007 fiscal biennium.

(b) The transfer in subsection (9) of this section represents toll revenue collected from toll violations)) The transfer in subsection (9) of this section represents the repayment of an amount equal to subprogram B5 expenditures that occurred in the motor vehicle account in the 2009-2011 fiscal biennium.

(b) The amount transferred in subsection (2) of this section shall not exceed the expenditures incurred from the motor vehicle account-state for the recreational vehicle sanitary disposal systems program.

## COMPENSATION

**Sec. 501.** 2011 c 367 s 502 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENTS--WSP  
TROOPERS ASSOCIATION

(1) No agreement has been reached between the governor and the Washington state patrol trooper's association under chapter 41.56 RCW for ~~((the 2011-2013 fiscal biennium))~~ fiscal year 2012. Appropriations for the Washington state patrol in this act are sufficient to fund the provisions of the 2009-2011 agreement.

(2) An agreement has been reached between the governor and the Washington state patrol troopers association under chapter 41.56 RCW for fiscal year 2013. Appropriations for the Washington state patrol in this act provide funding to implement the fiscal year 2013 agreement. The fiscal year 2013 agreement contains no change in compensation from the 2009-2011 agreement; therefore, no additional funding is appropriated.

**Sec. 502.** 2011 c 367 s 503 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENTS--WSP  
LIEUTENANTS ASSOCIATION

(1) No agreement has been reached between the governor and the Washington state patrol lieutenant's association under chapter 41.56 RCW for ~~((the 2011-2013 fiscal biennium))~~ fiscal year 2012. Appropriations for the Washington state patrol in this act are sufficient to fund the provisions of the 2009-2011 agreement.

(2) An agreement has been reached between the governor and the Washington state patrol lieutenants association under chapter 41.56 RCW for fiscal year 2013. Appropriations for the Washington state patrol in this act provide funding to implement the fiscal year 2013 agreement. The fiscal year 2013 agreement contains no change in compensation from the 2009-2011 agreement; therefore, no additional funding is appropriated.

**Sec. 503.** 2011 c 367 s 505 (uncodified) is amended to read as follows:

DEPARTMENT OF TRANSPORTATION MARINE DIVISION  
COLLECTIVE BARGAINING AGREEMENTS--TERMS AND  
CONDITIONS

No agreement has been reached between the governor and the masters, mates, and pilots marine operations watch supervisors under chapter 47.64 RCW for the 2011-2013 fiscal biennium. Appropriations in this act reflect funding to maintain the provisions or terms and conditions of the 2009-2011 agreements for fiscal year 2012. Fiscal year 2013 appropriations are reduced to reflect a 6.0 percent temporary salary reduction effective July 1, 2012, through June 29, 2013, a reduction to overtime calculation, reduced vacation accruals, and other management priorities in collective bargaining. Effective June 30, 2013, the salary schedules effective July 1, 2009, through June 30, 2011, will be reinstated.

**NEW SECTION. Sec. 504. TRANSPORTATION  
EMPLOYEES--COMPENSATION**

The following acts or parts of acts are each repealed:

(1) 2011 1st sp.s. c 50 s 718 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES--RETIREMENT SYSTEM CONTRIBUTIONS);

(2) 2011 1st sp.s. c 50 s 719 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES--RETIREMENT SYSTEM CONTRIBUTIONS);

(3) 2011 1st sp.s. c 50 s 720 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEE SALARY REDUCTIONS); and

(4) 2011 1st sp.s. c 50 s 721 (uncodified) (FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES RETIREMENT SYSTEM CONTRIBUTIONS).

## IMPLEMENTING PROVISIONS

**NEW SECTION. Sec. 601.** A new section is added to 2011 c 367 (uncodified) to read as follows:

The department of transportation may provide up to \$163,000 in toll credits to the Port of Kingston for its role in the new passenger-only ferry service and ferry corridor-related projects. The number of toll credits provided to the Port of Kingston must be equal to, but no more than, the number sufficient to meet federal match requirements for grant funding for passenger-only ferry service, but shall not exceed the amount authorized in this section.

**Sec. 602.** 2011 c 367 s 608 (uncodified) is amended to read as follows:

STAFFING LEVELS

(1) As the department of transportation completes delivery of the projects funded by the 2003 and 2005 transportation revenue packages, it is clear that the current staffing levels necessary to deliver these projects are not sustainable into the future. Therefore, the department is directed to quickly move forward to develop and implement new business practices so that a smaller, more nimble state workforce can effectively and efficiently deliver transportation improvement programs as they are approved in the future, in strong partnership with the private sector, while protecting the public's interests and assets.

(2) To this end, the department of transportation is directed to reduce the size of its engineering and technical workforce to a level sustained by current law revenue levels currently estimated at two thousand FTEs by the end of the 2013-2015 fiscal biennium. The department's current two thousand eight hundred FTE engineering and technical workforce levels for highway construction will be reduced in the 2011-2013 fiscal biennium, with a target of two thousand four hundred FTEs by June 30, 2013, and to a level of two thousand FTEs by June 30, 2015.

(3) In order to successfully deliver the highway construction program as funded, the department of transportation may continue to contract out engineering and technical services. In addition, the department may continue the incentive program for retirements and employee separations. ~~((The department shall report quarterly to the office of financial management and the transportation committees of the legislature on its progress and plans to reduce highway construction workforce levels to two thousand FTEs by June 2015. This report must also be posted on the department's web site.))~~

(4) The department of transportation is directed to reduce the size of its administrative operating programs for the 2013-2015 biennium. As part of the department's biennial budget submittal, the department shall reduce its workforce in Programs C, H, T, and S by three percent. The ratio of executive management service or Washington management services employee staff must be at least six staff for every manager by the end of the 2013-2015 biennium.

**Sec. 603.** 2011 c 367 s 603 (uncodified) is amended to read as follows:

**FUND TRANSFERS**

(1) The transportation 2003 projects or improvements and the 2005 transportation partnership projects or improvements are listed in LEAP Transportation Document ((2011-4) 2012-2 as developed ((April 19, 2011) March 8, 2012, which consists of a list of specific projects by fund source and amount over a sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a sixteen-year plan. The department is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and transportation 2003 account (nickel account) projects on the LEAP transportation documents referenced in this act. For the 2009-2011 and 2011-2013 project appropriations, unless otherwise provided in this act, the director of financial management may authorize a transfer of appropriation authority between projects funded with transportation 2003 account (nickel account) appropriations, or transportation partnership account appropriations, in order to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Each transfer between projects may only occur if the director of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2012 supplemental transportation budget, any unexpended 2009-2011 appropriation balance as approved by the office of financial management, in consultation with the legislative staff of the house of representatives and senate transportation committees, may be considered when transferring funds between projects;

(d) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed to complete the project;

(e) Transfers may not occur for projects not identified on the applicable project list;

(f) Transfers may not be made while the legislature is in session; and

(g) Transfers between projects may be made by the department of transportation until the transfer amount by project exceeds two hundred fifty thousand dollars, or ten percent of the total project, whichever is less. These transfers must be reported quarterly to the director of financial management and the chairs of the house of representatives and senate transportation committees.

(2) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(3) The office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

(4) The office of financial management shall document approved transfers and schedule changes in the transportation executive information system, compare changes to the legislative baseline funding and schedules identified by project identification number identified in the LEAP transportation documents referenced in this act, and transmit revised project lists to chairs of the transportation committees of the legislature on a quarterly basis.

**NEW SECTION. Sec. 604.** A new section is added to 2011 c 367 (uncodified) to read as follows:

A narrowbanding financing contract adopted by the Washington state patrol is contingent upon the completion of an independent financial, technical, and compliance review that must include the review of the utilization of the United States department of justice's integrated wireless network, which includes a risk mitigation strategy and plans, age and platform of the communication equipment's technology, and contractual services and obligations, to be completed and approved by the office of financial management by July 31, 2012, before any financial contracts using certificates of participation can be executed. The office of financial management must request from the federal communications commission an extension of ninety days for meeting the January 1, 2013, narrowbanding mandate to allow the time required to perform the review.

**CONDITIONALLY ADDITIVE APPROPRIATIONS**

**NEW SECTION. Sec. 701.** A new section is added to 2011 c 367 (uncodified) to read as follows:

It is the intent of the legislature that the appropriations in sections 702 through 713 of this act be an initial commitment to the programs and activities funded and that the commitment continue through the 2013-2015 fiscal biennium. To that end, it is the intent of the legislature that the spending plan for the 2013-2015 fiscal biennium reflect the programmatic areas and amounts described in LEAP Transportation Document 2012-4, as developed March 8, 2012.

**NEW SECTION. Sec. 702.** A new section is added to 2011 c 367 (uncodified) to read as follows:

**FOR THE WASHINGTON STATE PATROL**

State Patrol Highway Account--State Appropriation \$3,500,000

Highway Safety Account--State Appropriation \$6,000,000

**TOTAL APPROPRIATION \$9,500,000**

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

(1) \$1,642,000 of the state patrol highway account--state appropriation is provided solely for the auto theft investigation units in King county, the city of Spokane, and the city of Tacoma.

(2) \$5,000,000 of the highway safety account--state appropriation is provided solely to train an additional trooper cadet class in the current biennium.

**NEW SECTION. Sec. 703.** A new section is added to 2011 c 367 (uncodified) to read as follows:

**FOR THE COUNTY ROAD ADMINISTRATION BOARD--  
CAPITAL**

Highway Safety Account--State Appropriation \$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the county arterial preservation program to help counties meet urgent preservation needs.

**NEW SECTION. Sec. 704.** A new section is added to 2011 c 367 (uncodified) to read as follows:

**FOR THE TRANSPORTATION IMPROVEMENT BOARD--  
CAPITAL**

Highway Safety Account--State Appropriation \$3,500,000

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

(1) \$3,150,000 of the highway safety account--state appropriation is provided solely for the urban arterial program to help cities meet urgent preservation and storm water needs.

(2) \$350,000 of the highway safety account--state appropriation is provided solely for the small city pavement program to help cities meet urgent preservation and storm water needs.

**NEW SECTION. Sec. 705.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE DEPARTMENT OF TRANSPORTATION--IMPROVEMENTS--PROGRAM I  
Motor Vehicle Account--State Appropriation \$8,303,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to advance the design, preliminary engineering, and rights-of-way acquisition for the priority projects identified in LEAP Transportation Document 2012-3 as developed March 8, 2012. Funds must be used to advance the emergent, initial development of these projects for the purpose of expediting delivery of the associated major investments when funding for such investments becomes available. Funding may be reallocated between projects to maximize the accomplishment of design and preliminary engineering work and rights-of-way acquisition, provided that all projects are addressed. It is the intent of the legislature that, while seeking to maximize the outcomes in this section, the department shall provide for continuity of both the state and consulting engineer workforce, while strategically utilizing private sector involvement to ensure consistency with the department's business plan for staffing in the highway construction program in the current and next biennium.

**NEW SECTION. Sec. 706.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE DEPARTMENT OF TRANSPORTATION--HIGHWAY MAINTENANCE--PROGRAM M  
Highway Safety Account--State Appropriation \$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely to further reduce the highway maintenance backlog in order to maintain or increase levels of service.

**NEW SECTION. Sec. 707.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE DEPARTMENT OF TRANSPORTATION--PRESERVATION--PROGRAM P  
Highway Safety Account--State Appropriation \$3,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for urgent preservation needs on the state highway system.

**NEW SECTION. Sec. 708.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE STATE TREASURER: FOR DISTRIBUTION TO TRANSIT ENTITIES  
Public Transportation Grant Program Account--State Appropriation \$9,000,000

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

- (1) The appropriation in this section must be distributed statewide to transit authorities according to the distribution formula in subsection (2) of this section. Funding must be used for operations.
- (2) Of the amounts provided in this section:
  - (a) One-third must be distributed based on vehicle miles of service provided;
  - (b) One-third must be distributed based on the number of vehicle hours of service provided; and
  - (c) One-third must be distributed based on the number of passenger trips.
- (3) For the purposes of this section:

(a) "Transit authorities" has the same meaning as in RCW 9.91.025(2)(c).

(b) "Vehicle miles of service," "vehicle hours of service," and "passenger trips" are transit service metrics as reported by the public transportation program of the department of transportation in the annual report required in RCW 35.58.2796 for calendar year 2010.

**NEW SECTION. Sec. 709.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE DEPARTMENT OF TRANSPORTATION--MARINE--PROGRAM X  
Highway Safety Account--State Appropriation \$7,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the purchase of fuel for marine operations.

**NEW SECTION. Sec. 710.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE DEPARTMENT OF TRANSPORTATION--WASHINGTON STATE FERRIES CONSTRUCTION--PROGRAM W  
Transportation 2003 Account  
(Nickel Account)--State Appropriation \$130,000,000

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

(1) The appropriation in this section is provided solely for the purposes of constructing a ferry boat vessel with a carrying capacity of at least one hundred forty-four cars.

(2) The appropriation in this section includes up to \$130,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

**NEW SECTION. Sec. 711.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE DEPARTMENT OF TRANSPORTATION--LOCAL PROGRAMS--PROGRAM Z--CAPITAL  
Highway Safety Account--State Appropriation \$3,000,000

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

(1) \$750,000 of the highway safety account--state appropriation is provided solely to the freight mobility strategic investment board for grants to meet urgent freight corridor improvement and preservation needs, including advancing projects that are identified in LEAP Transportation Document 2012-1 ALL PROJECTS as developed March 8, 2012, and for other projects that meet the board's criteria.

(2) \$2,250,000 of the highway safety account--state appropriation is provided solely for safe routes to schools program projects, in rank order, and identified as contingency projects in the LEAP Transportation Document 2011-A, pedestrian and bicycle safety program projects and safe routes to school program projects, referenced in chapter 367, Laws of 2011 (the omnibus transportation appropriations act).

**NEW SECTION. Sec. 712.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE  
Highway Bond Retirement Account--State Appropriation \$6,500,000

**NEW SECTION. Sec. 713.** A new section is added to 2011 c 367 (uncodified) to read as follows:  
FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES  
Transportation 2003 Account

(Nickel Account)--State Appropriation \$58,000

**NEW SECTION. Sec. 714.** Sections 702 through 709 and 711 of this act take effect November 1, 2012.

**NEW SECTION. Sec. 715.** Sections 701, 710, 712, and 713 of this act take effect July 1, 2012.

**NEW SECTION. Sec. 716.** If chapter . . . (Engrossed Substitute Senate Bill No. 6150), Laws of 2012 is not enacted by June 30, 2012, the appropriations in sections 703, 704, 706, 707, 709, and 711(1) of this act are null and void.

**NEW SECTION. Sec. 717.** If chapter . . . (Engrossed Substitute Senate Bill No. 6455), Laws of 2012 is not enacted by June 30, 2012, the appropriations in sections 702, 705, 708, 710, 711(2), 712, and 713 of this act are null and void.

#### MISCELLANEOUS 2011-2013 FISCAL BIENNIUM

**NEW SECTION. Sec. 801.** A new section is added to chapter 47.76 RCW to read as follows:

Funds deemed by the department of transportation, in consultation with relevant port districts, to be in excess of current operating needs or capital reserves of the grain train program may be transferred from the miscellaneous program account to the essential rail assistance account created in RCW 47.76.250 for the purpose of sustaining the grain train program.

**Sec. 802.** RCW 43.19.642 and 2010 c 247 s 701 are each amended to read as follows:

(1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

(2) Except as provided in subsection (5) of this section, effective June 1, 2009, state agencies are required to use a minimum of twenty percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.

(3) All state agencies using biodiesel fuel shall, beginning on July 1, 2006, file biannual reports with the department of (~~general administration~~) enterprise services documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) (For the 2009-2011 fiscal biennium, all fuel purchased by the Washington state ferries at Harbor Island for the operation of the Washington state ferries diesel-powered vessels must be a minimum of five percent biodiesel blend so long as the per gallon price of diesel containing a five percent biodiesel blend level does not exceed the per gallon price of diesel by more than five percent. If the per gallon price of diesel containing a five percent biodiesel blend level exceeds the per gallon price of diesel by more than five percent, the requirements of this section do not apply to vessel fuel purchases by the Washington state ferries.

(5)) By December 1, 2009, the department of (~~general administration~~) enterprise services shall:

(a) Report to the legislature on the average true price differential for biodiesel by blend and location; and

(b) Examine alternative fuel procurement methods that work to address potential market barriers for in-state biodiesel producers and report these findings to the legislature.

(5) During the 2011-2013 fiscal biennium, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchased made by the

Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

**Sec. 803.** RCW 46.12.630 and 2011 c 171 s 37 are each amended to read as follows:

In addition to any other authority which it may have, the department of licensing may furnish lists of registered and legal owners of motor vehicles only for the purposes specified in this section to:

(1) The manufacturers of motor vehicles, or their authorized agents, to be used:

(a) To enable those manufacturers to carry out the provisions of the national traffic and motor vehicle safety act of 1966 (15 U.S.C. Sec. 1382-1418), including amendments or additions thereto, respecting safety-related defects in motor vehicles; or

(b) During the 2011-2013 fiscal biennium, in research activities, and in producing statistical reports, as long as the personal information is not published, redisclosed, or used to contact individuals;

(2) Any governmental agency of the United States or Canada, or political subdivisions thereof, to be used by it or by its authorized commercial agents or contractors only in connection with the enforcement of motor vehicle or traffic laws by, or programs related to traffic safety of, that government agency. Only such parts of the list as are required for completion of the work required of the agent or contractor shall be provided to such agent or contractor;

(3) A commercial parking company requiring the names and addresses of registered owners to notify them of outstanding parking violations. Subject to the disclosure agreement provisions of RCW 46.12.635 and the requirements of Executive Order 97-01, the department may provide only the parts of the list that are required for completion of the work required of the company;

(4) An authorized agent or contractor of the department, to be used only in connection with providing motor vehicle excise tax, licensing, title, and registration information to motor vehicle dealers;

(5) Any business regularly making loans to other persons to finance the purchase of motor vehicles, to be used to assist the person requesting the list to determine ownership of specific vehicles for the purpose of determining whether or not to provide such financing; or

(6) A company or its agents operating a toll facility under chapter 47.46 RCW or other applicable authority requiring the names, addresses, and vehicle information of motor vehicle registered owners to identify toll violators.

Where both a mailing address and residence address are recorded on the vehicle record and are different, only the mailing address will be disclosed. Both addresses will be disclosed in response to requests for disclosure from courts, law enforcement agencies, or government entities with enforcement, investigative, or taxing authority and only for use in the normal course of conducting their business.

If a list of registered and legal owners of motor vehicles is used for any purpose other than that authorized in this section, the manufacturer, governmental agency, commercial parking company, authorized agent, contractor, financial institution, toll facility operator, or their authorized agents or contractors responsible for the unauthorized disclosure or use will be denied further access to such information by the department of licensing.

**Sec. 804.** RCW 46.44.0915 and 2011 c 115 s 1 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection, the department of transportation, with respect to state highways maintained within port district property, may, at the request of a port commission, make and enter into agreements with port districts and adjacent jurisdictions or agencies of the districts, for the purpose of identifying, managing, and maintaining short heavy haul industrial corridors within port

district property for the movement of overweight sealed containers used in international trade.

(b) The department of transportation shall designate that portion of state route number 97 from the Canadian border to milepost 331.12 as a heavy haul industrial corridor for the movement of overweight vehicles to and from the Oroville railhead. The department may issue special permits to vehicles operating in the heavy haul industrial corridor to carry weight in excess of weight limits established in RCW 46.44.041, but not to exceed a gross vehicle weight of 139,994 pounds.

(2) Except as provided in subsection (1)(b) of this section, the department may issue special permits to vehicles operating in a heavy haul industrial corridor to carry weight in excess of weight limits established in RCW 46.44.041. However, the excess weight on a single axle, tandem axle, or any axle group must not exceed that allowed by RCW 46.44.091 (1) and (2), weight per tire must not exceed six hundred pounds per inch width of tire, and gross vehicle weight must not exceed one hundred five thousand five hundred pounds.

(3) The entity operating or hiring vehicles under subsection (1)(b) of this section or moving overweight sealed containers used in international trade must pay a fee for each special permit of one hundred dollars per month or one thousand dollars annually, beginning from the date of issue, for all movements under the special permit made on state highways within a heavy haul industrial corridor. Within a port district property, under no circumstances are the for hire carriers or rail customers responsible for the purchase or cost of the permits. All funds collected, except the amount retained by authorized agents of the department under RCW 46.44.096, must be forwarded to the state treasurer and deposited in the motor vehicle fund.

(4) For purposes of this section, an overweight sealed container used in international trade, including its contents, is considered nondivisible when transported within a heavy haul industrial corridor defined by the department.

(5) Any agreement entered into by the department as authorized under this section with a port district adjacent to Puget Sound and located within a county that has a population of more than seven hundred thousand, but less than one million, must limit the applicability of any established heavy haul corridor to that portion of state route no. 509 beginning at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 3.88 in the vicinity of Taylor Way. For the 2011-2013 fiscal biennium, the limit for any established heavy haul corridor established pursuant to this subsection (5) must be within that portion of state route number 509 beginning at milepost 0.25 in the vicinity of East 'D' Street and ending at milepost 5.7 in the vicinity of Norpoint Way Northeast.

(6) The department of transportation may adopt reasonable rules to implement this section.

**NEW SECTION. Sec. 805.** A new section is added to chapter 72.09 RCW to read as follows:

Prior to connection of the Washington correction center in Shelton to the city water system and consistent with Article II, section 40 of the state Constitution, the department must reimburse the state patrol highway account created in RCW 46.68.030 for any expenses incurred by the Washington state patrol for the department's share of the cost to construct a water line to the Washington state patrol's Shelton academy as identified in this act.

**NEW SECTION. Sec. 806.** If funding is provided in the 2012 supplemental omnibus capital appropriations act for more than \$2,047,000, for the purposes of constructing a water line to the Washington state patrol's Shelton academy, section 805 of this act is null and void.

**NEW SECTION. Sec. 901.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

**NEW SECTION. Sec. 902.** Except for sections 701 through 713, 805, and 806 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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**Engrossed Substitute House Bill No. 2190** - CONF REPT  
 By Conference Committee

On page 1, beginning on line 2 of the title, strike the remainder of the title and insert "amending RCW 43.19.642, 46.12.630, and 46.44.0915; amending 2011 c 367 ss 101, 103, 105, 106, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 401, 402, 403, 404, 405, 406, 407, 502, 503, 505, 603, and 608 (uncodified); adding a new section to chapter 47.76 RCW; adding a new section to chapter 72.09 RCW; adding new sections to 2011 c 367 (uncodified); creating new sections; repealing 2011 1st sp.s. c 50 ss 718, 719, 720, and 721 (uncodified); making appropriations and authorizing expenditures for capital improvements; providing effective dates; and declaring an emergency."

and that the bill do pass as recommended by the Conference Committee:

Senators Haugen, Eide and King  
 Representatives Clibborn, Armstrong and Liias

There being no objection, the House adopted the conference committee report on ENGROSSED SUBSTITUTE HOUSE BILL NO. 2190 and advanced the bill as recommended by the conference committee to final passage.

**FINAL PASSAGE OF HOUSE BILL AS  
 RECOMMENDED BY CONFERENCE COMMITTEE**

Representatives Clibborn, Armstrong and Hargrove spoke in favor of the passage of the bill as recommended by the conference committee.

The Speaker (Representative Morris presiding) stated the question before the House to be final passage of Engrossed Substitute House Bill No. 2190 as recommended by the conference committee.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2190, as recommended by the conference committee, and the bill passed the House by the following votes: The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2190, and the bill passed the House by the following vote: Yeas, 85; Nays, 13; Absent, 0; Excused, 0.

Voting yea: Representatives Alexander, Anderson, Angel, Appleton, Armstrong, Asay, Bailey, Billig, Blake, Carlyle, Chandler, Clibborn, Cody, Dahlquist, Dammeier, Darneille, DeBolt, Dickerson, Dunshee, Eddy, Fagan, Finn, Fitzgibbon,

Goodman, Green, Haigh, Haler, Hansen, Hargrove, Hasegawa, Hinkle, Hope, Hudgins, Hunt, Hunter, Hurst, Jinkins, Johnson, Kagi, Kelley, Kenney, Kirby, Klippert, Kristiansen, Ladenburg, Liias, Lytton, Maxwell, McCoy, McCune, Miloscia, Moeller, Morris, Moscoso, Nealey, Ormsby, Orwall, Pearson, Pedersen, Pettigrew, Pollet, Probst, Reykdal, Rivers, Roberts, Ross, Ryu, Santos, Schmick, Seaquist, Sells, Smith, Springer, Stanford, Sullivan, Takko, Tharinger, Upthegrove, Van De Wege, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Ahern, Buys, Condotta, Crouse, Harris, Kretz, Orcutt, Overstreet, Parker, Rodne, Shea, Short and Taylor.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2190, having received the necessary constitutional majority, was declared passed.

**STATEMENT FOR THE JOURNAL**

I intended to vote YEA on Engrossed Substitute House Bill No. 2190.

Representative Parker, 6th District

**POINT OF PERSONAL PRIVILEGE**

Representative Clibborn: "I would like to have the staff to come out, who worked so hard on this transportation budget, if we could have the OPR staff come. So Mr. Speaker I can't say enough about the hard work that has gone into this budget, but also the support that no matter what we are asking, especially today when we had to do a lot of heavy lifting working late at night, they are always there for us. I thank them so much it has been such a pleasure getting to know them and work with them and thank you I can't say enough."

**POINT OF PERSONAL PRIVILEGE**

Representative Armstrong: "Thank you Mr. Speaker, we here in Olympia are very fortunate to have staff that's great. We in the transportation committee, by the way the transportation committee is twenty nine member strong, is the largest committee in the legislature and in either body. We believe some of the best cat herders of the bunch standing up there, and they have a tough job and they do it well. It always amazes me, for instance, I got a call at eleven thirty to come down and sign one of the concurrence budgets so these folks are working around the clock, I don't know when they sleep, but it's pretty amazing the job they do. And with them we have two other people I don't want to go without saying something about and that's our caucus staff, both of our caucus staff in both caucuses do a great and outstanding job working with these fine people and we make a great team, so thank you very much for all you do."

**MESSAGE FROM THE SENATE**

March 8, 2012

MR. SPEAKER:

The President has signed:

ENGROSSED HOUSE BILL NO. 1398  
 SUBSTITUTE HOUSE BILL NO. 2139  
 SUBSTITUTE HOUSE BILL NO. 2149  
 SUBSTITUTE HOUSE BILL NO. 2357  
 SECOND SUBSTITUTE HOUSE BILL NO. 2443  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2483  
 ENGROSSED HOUSE BILL NO. 2509

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2536  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2571  
 HOUSE BILL NO. 2803

and the same are herewith transmitted.

Thomas Hoemann, Secretary

March 8, 2012

MR. SPEAKER:

The Senate receded from its amendment(s) to ENGROSSED HOUSE BILL NO. 1398, and under suspension of the rules returned ENGROSSED HOUSE BILL NO. 1398 to second reading for purpose of amendment(s). The Senate further adopted amendment 1398.E AMS HOBBS S5297.3 and passed the measure as amended.

and the same are herewith transmitted.

Thomas Hoemann, Secretary

### RESOLUTION

#### HOUSE RESOLUTION NO. 4689, by Representatives Sullivan and Kretz

WHEREAS, It is necessary to provide for the continuation of the work of the House of Representatives after its adjournment and during the interim periods between legislative sessions;

NOW, THEREFORE, BE IT RESOLVED, That the Executive Rules Committee is hereby created by this resolution and shall consist of three members of the majority caucus and two members of the minority caucus, to be named by the Speaker of the House of Representatives and Minority Leader respectively; and

BE IT FURTHER RESOLVED, That the Executive Rules Committee may assign subject matters, bills, memorials, and resolutions to authorized committees of the House of Representatives for study during the interim, and the Speaker of the House of Representatives may create special and select committees as may be necessary to carry out the functions, including interim studies, of the House of Representatives in an orderly manner and shall appoint members to such committees with the approval of the Executive Rules Committee; and

BE IT FURTHER RESOLVED, That, during the interim, the schedules of and locations for all meetings of any committee or subcommittee shall be approved by the Executive Rules Committee, and those committees or subcommittees may conduct hearings and scheduling without a quorum being present; and

BE IT FURTHER RESOLVED, That, during the interim, authorized committees have the power of subpoena, the power to administer oaths, and the power to issue commissions for the examination of witnesses in accordance with chapter 44.16 RCW if and when specifically authorized by the Executive Rules Committee for specific purposes and specific subjects; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives shall complete the work of the 2012 Regular Session of the Sixty-Second Legislature during interim periods, and all details that arise therefrom, including the editing, indexing, and publishing of the journal of the House of Representatives; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives shall make the necessary inventory of furnishings, fixtures, and supplies; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives may approve vouchers of the members of the House of Representatives, covering expenses incurred during the interim for official business of the Legislature in accordance with policies set by the Executive Rules Committee, at the per diem rate

provided by law and established by the Executive Rules Committee, for each day or major portion of a day, plus mileage at the rate provided by law and established by the Executive Rules Committee; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives shall, during the interim, and as authorized by the Speaker of the House of Representatives, retain or hire any necessary employees and order necessary supplies, equipment, and printing to enable the House of Representatives to carry out its work promptly and efficiently, and accept committee reports, committee bills, prefiled bills, memorials, and resolutions as directed by the Rules of the House of Representatives and by Joint Rules of the Legislature; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives shall have authority to carry out the directions of the Executive Rules Committee regarding the authorization and execution of any personal services contracts or subcontracts that necessitate the expenditure of House of Representatives appropriations; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives shall execute the necessary vouchers upon which warrants are drawn for all legislative expenses and expenditures of the House of Representatives; and

BE IT FURTHER RESOLVED, That members and employees of the Legislature be reimbursed for expenses incurred in attending authorized conferences and meetings at the rate provided by law and established by the Executive Rules Committee, plus mileage to and from the conferences and meetings at the rate provided by law and established by the Executive Rules Committee, which reimbursement shall be paid on vouchers from any appropriation made to the House of Representatives for legislative expenses; and

BE IT FURTHER RESOLVED, That, during the interim, the use of the House of Representatives Chamber, any of its committee rooms, or any of the furniture or furnishings in them is permitted upon such terms and conditions as the Chief Clerk of the House of Representatives shall deem appropriate; and

BE IT FURTHER RESOLVED, That the Chief Clerk of the House of Representatives may express the sympathy of the House of Representatives by sending flowers and correspondence when the necessity arises; and

BE IT FURTHER RESOLVED, That this Resolution applies throughout the interim between sessions of the Sixty-Second Legislature, as well as any committee assembly.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of House Resolution No. 4689

HOUSE RESOLUTION NO. 4689 was adopted.

### MESSAGE FROM THE SENATE

March 8, 2012

MR. SPEAKER:

The Senate has adopted:

SENATE CONCURRENT RESOLUTION NO. 8410

SENATE CONCURRENT RESOLUTION NO. 8411

and the same are herewith transmitted.

Thomas Hoemann, Secretary

There being no objection, SENATE CONCURRENT RESOLUTION NO. 8410 and SENATE CONCURRENT RESOLUTION NO. 8411 were read the first time, and under suspension of the rules were placed on the second reading calendar.

**SECOND READING****RESOLUTION****SENATE CONCURRENT RESOLUTION 8410**

By Senators Brown and Hewitt

BE IT RESOLVED, By the Senate of the State of Washington, the House of Representatives concurring, That immediately before adjournment SINE DIE of this 2012 Regular session of the Sixty-second Legislature:

(1) The Senate shall transmit to the House of Representatives all House bills, House joint resolutions, House concurrent resolutions, and House joint memorials in its possession that have not been passed by the Senate, and upon receipt by the House of Representatives of such measures they shall be assigned to the House Rules Committee for third reading; and

(2) The House of Representatives shall transmit to the Senate all Senate bills, Senate joint resolutions, Senate concurrent resolutions, and Senate joint memorials in its possession that have not been passed by the House of Representatives, and upon receipt by the Senate of such measures they shall be assigned to the Senate Rules Committee for third reading; and

BE IT FURTHER RESOLVED, That the Secretary of the Senate and the Chief Clerk of the House of Representatives shall retain in their possession and in the status that exists upon the adjournment SINE DIE of the 2012 Regular session of the Sixty-second Legislature, all legislative measures including all bills, joint resolutions, concurrent resolutions, and joint memorials that may at that time be in their respective houses and all records, journals, dockets, and other documents pertaining thereto; and

BE IT FURTHER RESOLVED, That all measures introduced at any special session of the Sixty-second Legislature shall be numbered as a continuation of the numbers assigned to measures of the 2012 Regular session of the Sixty-second Legislature.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of Senate Concurrent Resolution No. 8410

SENATE CONCURRENT RESOLUTION NO. 8410 was adopted.

**RESOLUTION****SENATE CONCURRENT RESOLUTION 8411**

By Senators Brown and Hewitt

BE IT RESOLVED, By the Senate of the State of Washington, the House of Representatives concurring, That the 2012 Regular Session of the Sixty-second Legislature adjourn SINE DIE.

The Speaker (Representative Moeller presiding) stated the question before the House to be adoption of Senate Concurrent Resolution No. 8411

SENATE CONCURRENT RESOLUTION NO. 8411 was adopted.

March 8, 2012

MR. SPEAKER:

The President has signed:

SENATE CONCURRENT RESOLUTION NO. 8410

SENATE CONCURRENT RESOLUTION NO. 8411

and the same are herewith transmitted.

Thomas Hoemann, Secretary

**MESSAGES FROM THE SENATE**

March 8, 2012

MR. SPEAKER:

Under the provisions of SENATE CONCURRENT RESOLUTION NO. 8410, the following House Bills were returned to the House of Representatives:

ENGROSSED HOUSE BILL NO. 1050  
HOUSE BILL NO. 1221  
SUBSTITUTE HOUSE BILL NO. 1259  
HOUSE BILL NO. 1327  
SUBSTITUTE HOUSE BILL NO. 1349  
SUBSTITUTE HOUSE BILL NO. 1615  
SUBSTITUTE HOUSE BILL NO. 1650  
SUBSTITUTE HOUSE BILL NO. 1699  
HOUSE BILL NO. 2232  
HOUSE BILL NO. 2275  
HOUSE BILL NO. 2280  
HOUSE BILL NO. 2283  
HOUSE BILL NO. 2285  
SUBSTITUTE HOUSE BILL NO. 2296  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2330  
SUBSTITUTE HOUSE BILL NO. 2375  
SUBSTITUTE HOUSE BILL NO. 2395  
HOUSE BILL NO. 2396  
HOUSE BILL NO. 2400  
SUBSTITUTE HOUSE BILL NO. 2439  
ENGROSSED HOUSE BILL NO. 2449  
ENGROSSED HOUSE BILL NO. 2457  
HOUSE BILL NO. 2474  
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2501  
ENGROSSED HOUSE BILL NO. 2513  
SUBSTITUTE HOUSE BILL NO. 2601  
SUBSTITUTE HOUSE BILL NO. 2603  
SUBSTITUTE HOUSE BILL NO. 2608  
HOUSE BILL NO. 2639  
HOUSE BILL NO. 2643  
ENGROSSED SUBSTITUTE HOUSE BILL NO. 2669  
HOUSE BILL NO. 2697  
HOUSE BILL NO. 2698  
SUBSTITUTE HOUSE BILL NO. 2736

and the same are herewith transmitted.

Brad Hendrickson, Deputy, Secretary

March 8, 2012

MR. SPEAKER:

Under the provisions of SENATE CONCURRENT RESOLUTION NO. 8410, the following House Bills were returned to the House of Representatives:

SUBSTITUTE HOUSE BILL NO. 1081  
HOUSE BILL NO. 1207  
SUBSTITUTE HOUSE BILL NO. 1217  
SUBSTITUTE HOUSE BILL NO. 1470  
SUBSTITUTE HOUSE BILL NO. 1518  
HOUSE BILL NO. 1669  
SUBSTITUTE HOUSE BILL NO. 1753  
HOUSE BILL NO. 1833  
SUBSTITUTE HOUSE BILL NO. 1852  
SUBSTITUTE HOUSE BILL NO. 2010  
SUBSTITUTE HOUSE BILL NO. 2196  
ENGROSSED HOUSE BILL NO. 2205  
SUBSTITUTE HOUSE BILL NO. 2218  
HOUSE BILL NO. 2219

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2228  
     SUBSTITUTE HOUSE BILL NO. 2234  
         HOUSE BILL NO. 2235  
         HOUSE BILL NO. 2240  
         HOUSE BILL NO. 2242  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2253  
     HOUSE BILL NO. 2256  
     SUBSTITUTE HOUSE BILL NO. 2272  
         HOUSE BILL NO. 2287  
         HOUSE BILL NO. 2339  
         HOUSE BILL NO. 2343  
     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2344  
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     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2372  
         HOUSE BILL NO. 2401  
         SUBSTITUTE HOUSE BILL NO. 2407  
         SUBSTITUTE HOUSE BILL NO. 2416  
         ENGROSSED HOUSE BILL NO. 2417  
         SUBSTITUTE HOUSE BILL NO. 2421  
         HOUSE BILL NO. 2441  
         HOUSE BILL NO. 2442  
         HOUSE BILL NO. 2476  
         HOUSE BILL NO. 2488  
     SUBSTITUTE HOUSE BILL NO. 2491  
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     SUBSTITUTE HOUSE BILL NO. 2512  
         HOUSE BILL NO. 2524  
     ENGROSSED HOUSE BILL NO. 2558  
         HOUSE BILL NO. 2566  
     SUBSTITUTE HOUSE BILL NO. 2578  
     SUBSTITUTE HOUSE BILL NO. 2590  
         HOUSE BILL NO. 2595  
     SUBSTITUTE HOUSE BILL NO. 2605  
     SUBSTITUTE HOUSE BILL NO. 2607  
     SUBSTITUTE HOUSE BILL NO. 2615  
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     SUBSTITUTE HOUSE BILL NO. 2668  
     SECOND SUBSTITUTE HOUSE BILL NO. 2717  
         HOUSE BILL NO. 2735  
     SUBSTITUTE HOUSE BILL NO. 2748

and the same are herewith transmitted.

Brad Hendrickson, Deputy, Secretary  
 March 8, 2012

MR. SPEAKER:

Under the provisions of SENATE CONCURRENT RESOLUTION NO. 8410, the following House Bills were returned to the House of Representatives:

SECOND ENGROSSED SECOND SUBSTITUTE HOUSE BILL  
     NO. 1144  
     SUBSTITUTE HOUSE BILL NO. 1253  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1256  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1508  
     SUBSTITUTE HOUSE BILL NO. 1556  
     SUBSTITUTE HOUSE BILL NO. 1568  
     SUBSTITUTE HOUSE BILL NO. 1865  
     ENGROSSED HOUSE BILL NO. 1900  
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 2127  
     SECOND SUBSTITUTE HOUSE BILL NO. 2170  
         SUBSTITUTE HOUSE BILL NO. 2176  
         HOUSE BILL NO. 2179  
     SECOND SUBSTITUTE HOUSE BILL NO. 2211  
         HOUSE BILL NO. 2257  
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2265  
     SUBSTITUTE HOUSE BILL NO. 2270  
     SECOND SUBSTITUTE HOUSE BILL NO. 2289  
         HOUSE BILL NO. 2292  
         SUBSTITUTE HOUSE BILL NO. 2297  
     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2331  
     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2335

HOUSE BILL NO. 2353  
 SUBSTITUTE HOUSE BILL NO. 2355  
 ENGROSSED HOUSE BILL NO. 2368  
     HOUSE BILL NO. 2370  
     HOUSE BILL NO. 2405  
 SUBSTITUTE HOUSE BILL NO. 2458  
     HOUSE BILL NO. 2471  
     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2553  
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 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2587  
     ENGROSSED HOUSE BILL NO. 2602  
     HOUSE BILL NO. 2604  
     HOUSE BILL NO. 2610  
     SUBSTITUTE HOUSE BILL NO. 2648  
     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2650  
     ENGROSSED SUBSTITUTE HOUSE BILL NO. 2722  
         HOUSE BILL NO. 2725  
     SUBSTITUTE HOUSE BILL NO. 2733  
         HOUSE BILL NO. 2738  
         HOUSE BILL NO. 2741

and the same are herewith transmitted.

Brad Hendrickson, Deputy, Secretary

March 8, 2012

MR. SPEAKER:

The Senate has adopted the report of the Conference Committee on ENGROSSED SUBSTITUTE HOUSE BILL NO. 2190, and has passed the bill as recommended by the Conference Committee.

and the same are herewith transmitted.

March 8, 2012

MR. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2190  
 ENGROSSED HOUSE BILL NO. 2262  
 ENGROSSED HOUSE BILL NO. 2660

and the same are herewith transmitted.

Thomas Hoemann, Secretary

The Speaker assumed the chair.

#### SIGNED BY THE SPEAKER

The Speaker signed the following bills:

SENATE CONCURRENT RESOLUTION NO. 8410  
 SENATE CONCURRENT RESOLUTION NO. 8411  
     SUBSTITUTE SENATE BILL NO. 6073  
         SENATE BILL NO. 5950  
     ENGROSSED HOUSE BILL NO. 2660  
     ENGROSSED HOUSE BILL NO. 2262

The Speaker called upon Representative Moeller to preside.

#### MOTIONS

On motion of Representative Sullivan, the reading of the Journal of the 60th Day of the 2012 Regular Session of the 62<sup>nd</sup> Legislature was dispensed with and ordered to stand approved.

On motion of Representative Sullivan, the 2012 Regular Session of the 62<sup>nd</sup> Legislature was adjourned SINE DIE.

FRANK CHOPP, Speaker

BARBARA BAKER, Chief Clerk

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