THIRTY SIXTH DAY, FEBRUARY 12, 2018

SIXTY FIFTH LEGISLATURE - REGULAR SESSION

THIRTY SIXTH DAY

The House was called to order at 9:00 a.m. by the Speaker (Representative Orwall 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 Tanner Simms and Alicia Stanaway. The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Vicki Kraft, 17th Legislative District, Washington.

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

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

MESSAGES FROM THE SENATE
February 9, 2018

MR. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5108,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5307,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5407,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6434,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
February 9, 2018

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE SENATE BILL NO. 5944,
SUBSTITUTE SENATE BILL NO. 6009,
SENATE BILL NO. 6030,
SUBSTITUTE SENATE BILL NO. 6038,
SENATE BILL NO. 6039,
SENATE BILL NO. 6093,
SENATE BILL NO. 6134,
SENATE BILL NO. 6182,
SENATE BILL NO. 6190,
SUBSTITUTE SENATE BILL NO. 6195,
SENATE BILL NO. 6205,
SENATE BILL NO. 6207,
SENATE BILL NO. 6218,
SECOND SUBSTITUTE SENATE BILL NO. 6245,
SENATE BILL NO. 6248,
SENATE BILL NO. 6252,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
February 9, 2018

MR. SPEAKER:

The Senate has passed:

SECOND SUBSTITUTE SENATE BILL NO. 6015,
SUBSTITUTE SENATE BILL NO. 6066,
SENATE BILL NO. 6188,
SUBSTITUTE SENATE BILL NO. 6214,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
February 10, 2018

MR. SPEAKER:

The Senate has passed:

SUBSTITUTE SENATE BILL NO. 5746,
SUBSTITUTE SENATE BILL NO. 6175,
SENATE BILL NO. 6180,
SUBSTITUTE SENATE BILL NO. 6330,
SUBSTITUTE SENATE BILL NO. 6437,
SUBSTITUTE SENATE BILL NO. 6452,
SUBSTITUTE SENATE BILL NO. 6475,
SUBSTITUTE SENATE BILL NO. 6566,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
February 10, 2018

MR. SPEAKER:

The Senate has passed:

SENATE BILL NO. 6079,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
February 10, 2018
MR. SPEAKER:
The Senate has passed:

ENGROSSED FOURTH SUBSTITUTE SENATE BILL NO. 5251,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5588,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6199,
ENGROSSED THIRD SUBSTITUTE SENATE BILL NO. 6353,
ENGROSSED SUBSTITUTE SENATE BILL NO. 6413,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
February 9, 2018

MR. SPEAKER:
The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 6109,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

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

**INTRODUCTION & FIRST READING**

ESSB 6065 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Wellman, Hunt and Hasegawa)

AN ACT Relating to school district policy and procedures for interviews and interrogations of students on school premises; and adding a new section to chapter 28A.320 RCW.

Referred to Committee on Education.

ESSB 6068 by Senate Committee on Law & Justice (originally sponsored by Senators Frocht, Pedersen, Palumbo, Conway, Saldaña, Kuderer and Mullet)

AN ACT Relating to the applicability of nondisclosure agreements in civil actions for sexual harassment or assault; and adding a new section to chapter 4.24 RCW.

Referred to Committee on Judiciary.

ESSB 6257 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Billig, Zeiger, Kuderer, Keiser, Palumbo and Saldaña)

AN ACT Relating to provision of early intervention services for eligible children with disabilities from birth through two years of age; amending RCW 28A.155.065, 43.216.572, 43.216.574, and 43.216.576; adding a new section to chapter 43.216 RCW; creating a new section; providing effective dates; and providing an expiration date.

Referred to Committee on Appropriations.

SSB 6318 by Senate Committee on Agriculture, Water, Natural Resources & Parks (originally sponsored by Senators Takko, Warnick and Van De Wege)


Referred to Committee on Agriculture & Natural Resources.

SSB 6334 by Senate Committee on Law & Justice (originally sponsored by Senators Dhingra, Angel and Darneille)

AN ACT Relating to child support, but only including a parent's obligation to provide medical support, use of electronic funds transfers, notice of noncompliance, adoption of the economic table recommended by the child support work group, and references to the federal poverty level in self-support reserve limitations; amending RCW 26.09.105, 26.18.020, 26.18.170, 26.23.050, 26.26.165, 26.26.375, 74.20A.055, 74.20A.056, 74.20A.059, 74.20A.300, 74.20A.350, 26.19.020, and 26.19.065; and adding a new section to chapter 26.23 RCW; and providing an effective date.

Referred to Committee on Judiciary.
SB 6408 by Senators Padden and Pedersen

AN ACT Relating to body worn cameras, but only with respect to making existing requirements and public records act provisions governing body worn cameras permanent and applicable to all law enforcement and corrections agencies deploying body worn cameras, strengthening privacy protections for intimate images in body worn camera recordings, and clarifying records retention requirements for body worn camera recordings; amending RCW 10.109.010 and 10.109.030; and reenacting and amending RCW 42.56.240.

Referred to Committee on Judiciary.

SSB 6419 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Senators Rolfs, Zeiger, Billig, Wellman, Conway, Darneille, Kuderer, Palumbo and Walsh)

AN ACT Relating to promoting access to the Washington early childhood education and assistance program; amending RCW 43.216.555; adding a new section to chapter 43.216 RCW; creating a new section; and providing an effective date.

Referred to Committee on Early Learning & Human Services.

SB 6471 by Senators Keiser, Walsh, Rolfs, Dhingra, Bailey, Darneille, Hasegawa, Frockt, Conway, Chase, Kuderer and Saldaña

AN ACT Relating to developing model policies to create workplaces that are safe from sexual harassment; adding a new section to chapter 49.60 RCW; and creating a new section.

Referred to Committee on Labor & Workplace Standards.

SSB 6514 by Senate Committee on Higher Education & Workforce Development (originally sponsored by Senators Brown, O’Ban, Darneille, Palumbo and Saldaña)

AN ACT Relating to implementing a comprehensive approach to suicide prevention and behavioral health in higher education, with enhanced services to student veterans; adding new sections to chapter 43.70 RCW; adding a new section to chapter 28B.77 RCW; creating new sections; and providing an expiration date.

Referred to Committee on Appropriations.

ESJM 8008 by Senator Chase

Requesting Congress to reform the harbor maintenance tax.

Referred to Committee on Technology & Economic Development.

There being no objection, the bills and memorial listed on the day’s introduction sheet under the fourth order of business were referred to the committees so designated, with the exception of ENGROSSED SUBSTITUTE SENATE BILL NO. 6257 which was referred the Committee on Early Learning & Human Services.

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

SECOND READING

HOUSE BILL NO. 2001, by House Committee on Finance (originally sponsored by Representative Nealey)

Concerning taxes on in-state broadcasters.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2001 was substituted for House Bill No. 2001 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2001 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 Nealey and Lytton 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 Substitute House Bill No. 2001.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2001, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

JOURNAL OF THE HOUSE

SUBSTITUTE HOUSE BILL NO. 2001, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2308, by Representatives Jinkins, Graves, Stokesbary, Kilduff, Valdez, Ortiz-Self, Santos, Goodman, Fey, Bergquist, Sawyer, Tharinger, Pellicciotti, Dolan, Haler, Frame, Stanford, Macri, Kloba, Ryu, Appleton, Doglio, Young and Stonier

Concerning civil legal aid.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2308 was substituted for House Bill No. 2308 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2308 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 Jinkins 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 Substitute House Bill No. 2308.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2308, and the bill passed the House by the following vote: Yeas, 86; Nays, 12; Absent, 0; Excused, 0.


HOUSE BILL NO. 2308, by Representatives Goodman, Rodne, Sawyer, Haler and Appleton

Making technical corrections and removing obsolete language from the Revised Code of Washington pursuant to RCW 1.08.025.

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 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 House Bill No. 2368.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2368, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE BILL NO. 2368, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2387, by Representatives Hudgins, Tarleton and Young

Concerning mandatory election audits of ballot counting equipment.

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 Hudgins and Kraft 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 House Bill No. 2387.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2387, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE BILL NO. 2387, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2527, by Representatives Hudgins, McBride and Shea

Evaluating random check procedures for ballot counting equipment.

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 Hudgins and McDonald 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 House Bill No. 2527.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2527, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE BILL NO. 2527, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1558, by Representatives Kilduff, MacEwen, Sawyer, Hayes, Harris, Griffey, Ormsby, Riccelli, Bergquist, Dolan, Doglio, Lovick, Ryu, Goodman, Peterson, Fitzgibbon, Muri, Stanford and Fey

Authorizing membership in the Washington public safety employees' retirement system for employees who provide nursing care to, or ensure the custody and safety of, offender, probationary, and patient populations in institutions and centers.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1558 was substituted for House Bill No. 1558 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1558 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 Kilduff and MacEwen 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 Substitute House Bill No. 1558.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1558, and the bill passed the House by the following vote: Yeas, 89; Nays, 9; Absent, 0; Excused, 0.

Voting nay: Representatives Graves, Halter, Manweller, McCaslin, Nealey, Pike, Shea, Taylor and Vick.

SUBSTITUTE HOUSE BILL NO. 1558, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2390, by Representatives Pollet, Halter, Tarleton, McBride, Peterson, Dolan, Frame, Valdez, Kilduff, Senn, Stanford, Kloba, Clibborn, Macri, Ryu, Doglio, Riccelli and Gregerson

Regulating opioid medications at educational institutions.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2390 was substituted for House Bill No. 2390 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2390 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 Pollet and Harris 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. 2390.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 2390, and the bill passed the House by the following vote: Yeas, 79; Nays, 19; Absent, 0; Excused, 0.


Voting nay: Representatives Caldier, Schmick and Taylor.

HOUSE BILL NO. 2446, by Representatives Graves, Jinkins, Cody, Macri, Robinson, Riccelli and Kloba

Concerning physical therapist supervision of assistive personnel.

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 Graves and Macri spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 2446.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2446, and the bill passed the House by the following vote: Yeas, 95; Nays, 3; Absent, 0; Excused, 0.


Voting nay: Representatives Caldier, Schmick and Taylor.

HOUSE BILL NO. 2541, by Representatives Kilduff, Rodne and Eslick

Expanding the classes of persons who may provide informed consent for certain patients who are not competent to consent.

The bill was read the second time.
There being no objection, Substitute House Bill No. 2541 was substituted for House Bill No. 2541 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2541 was read the second time.

Representative Kilduff moved the adoption of amendment (942).

On page 2, line 16, after "physician;" strike "or"

On page 2, line 17, after "health care facility" insert ", nursing home;"

On page 2, line 18, after "care" insert "; or a person who receives compensation to provide care to the patient"

Representatives Kilduff and Rodne spoke in favor of the adoption of the amendment.

Amendment (942) 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 Kilduff 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 Engrossed Substitute House Bill No. 2541.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2541, and the bill passed the House by the following vote: Yeas, 84; Nays, 14; Absent, 0; Excused, 0.


Voting nay: Representatives Buys, Condotta, Dent, Dye, Haler, Klippert, Kraft, Manweller, McCaslin, Schmick, Shea, Smith, Taylor and Young.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2541, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2651, by Representatives Stanford, Johnson, Macri, Haler, Tharinger, Goodman, Caldier, Appleton, Harris, Jinkins, Barkis, Dolan, Senn, Gregerson, Wylie, Tarleton, McBride, Doglio, Eslick, Pollet, Slatter, Fey and Santos

Increasing the personal needs allowance for people in residential and institutional care settings.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2651 was substituted for House Bill No. 2651 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2651 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.

Representative Stanford 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 Substitute House Bill No. 2651.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2651, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

SUBSTITUTE HOUSE BILL NO. 2651, having received the necessary constitutional majority, was declared passed.


Eliminating lunch copays for students who qualify for reduced-price lunches.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2712 was substituted for House Bill No. 2712 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2712 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.

Representative Gregerson spoke in favor of the passage of the bill.

Representative Harris spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2712.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2712, and the bill passed the House by the following vote: Yeas, 59; Nays, 39; Absent, 0; Excused, 0.


SUBSTITUTE HOUSE BILL NO. 2712, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2779, by Representatives Senn, Dent, Eslick, Bergquist, Tharinger, Goodman, Doglio, Pollet, Kloba, Macri and Santos

Improving access to mental health services for children and youth.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2779 was substituted for House Bill No. 2779 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2779 was read the second time.

Representative Senn moved the adoption of amendment (864):

Beginning on page 2, line 3, strike all of section 2 and insert the following:

"NEW SECTION. Sec. 2. (1) A children's mental health work group is established to identify barriers to and opportunities for accessing mental health services for children and families and to advise the legislature on statewide mental health services for this population.

(2) The work group shall consist of members and alternates as provided in this subsection. Members must represent the regional, racial, and cultural diversity of all children and families in the state. Members of the children's mental health work group created in chapter 96, Laws of 2016, and serving on the work group as of December 1, 2017, may continue to serve as members of the work group without reappointment.

(a) The president of the senate shall appoint one member and one alternate from each of the two largest caucuses in the senate.

(b) The speaker of the house of representatives shall appoint one member and one alternate from each of the two largest caucuses in the house of representatives.

(c) The governor shall appoint six members representing the following state
agencies and offices: The department of children, youth, and families; the department of social and health services; the health care authority; the department of health; the office of homeless youth prevention and protection programs; and the office of the governor.

(d) The governor shall appoint one member representing each of the following:

(i) Behavioral health organizations;
(ii) Community mental health agencies;
(iii) Medicaid managed care organizations;
(iv) A regional provider of co-occurring disorder services;
(v) Pediatricians or primary care providers;
(vi) Providers specializing in infant or early childhood mental health;
(vii) Child health advocacy groups;
(viii) Early learning and child care providers;
(ix) The evidence-based practice institute;
(x) Parents or caregivers who have been the recipient of early childhood mental health services;
(xi) An education or teaching institution that provides training for mental health professionals;
(xii) Foster parents;
(xiii) Providers of culturally and linguistically appropriate health services to traditionally underserved communities;
(xiv) Pediatricians located east of the crest of the Cascade mountains; and
(xv) Child psychiatrists.

(e) The governor shall request participation by a representative of tribal governments.

(f) The superintendent of public instruction shall appoint one representative from the office of the superintendent of public instruction.

(g) The insurance commissioner shall appoint one representative from the office of the insurance commissioner.

(h) The work group shall choose three cochairs, two from among its legislative membership and one representative of a state agency. The two legislative cochairs must represent the minority and the majority caucuses in the house of representatives. The representative from the health care authority shall convene at least two, but not more than four, meetings of the work group each year.

(3) The work group shall:

(a) Monitor the implementation of enacted legislation, programs, and policies related to children's mental health, including provider payment for depression screenings for youth and new mothers, consultation services for child care providers caring for children with symptoms of trauma, home visiting services, and streamlining agency rules for providers of behavioral health services;

(b) Consider system strategies to improve coordination and remove barriers between the early learning, K-12 education, and health care systems; and

(c) Identify opportunities to remove barriers to treatment and strengthen mental health service delivery for children and youth.

(4) Staff support for the work group, including administration of work group meetings and preparation of the updated report required under subsection (6) of this section, must be provided by the health care authority. Additional staff support for legislative members of the work group may be provided by senate committee services and the house of representatives office of program research.

(5) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(6) The work group shall update the findings and recommendations reported to the legislature by the children's mental health work group in December 2016 pursuant to chapter 96, Laws of 2016. The work group must submit the updated report to the governor and the appropriate committees of the legislature by December 1, 2020.
Representatives Senn and Dent spoke in favor of the adoption of the amendment.

Amendment (864) was adopted.

Representative Bergquist moved the adoption of amendment (844):

On page 10, after line 26, insert the following:

"NEW SECTION. Sec. 11. Subject to the availability of amounts appropriated for this specific purpose, the child and adolescent psychiatry residency program at the University of Washington shall offer one additional twenty-four month residency position that is approved by the accreditation council for graduate medical education to one resident specializing in child and adolescent psychiatry. The residency must include a minimum of twelve months of training in settings where children's mental health services are provided under the supervision of experienced psychiatric consultants and must be located west of the crest of the Cascade mountains.

NEW SECTION. Sec. 12. Section 11 takes effect July 1, 2020."

Correct the title.

Representatives Bergquist and Dent spoke in favor of the adoption of the amendment.

Amendment (844) 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 Senn, Dent and Kagi 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 Second Substitute House Bill No. 2779.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2779, and the bill passed the House by the following vote: Yeas, 84; Nays, 14; Absent, 0; Excused, 0.


ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2779, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2855, by Representatives Stonier, Appleton, Haler, Lovick, Orwall, Sells, Wylie, Eslick and Hayes

Concerning the sharing of information between participants in multidisciplinary coordination of child sexual abuse investigations.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2855 was substituted for House Bill No. 2855 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2855 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 Stonier and Dent 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 Substitute House Bill No. 2855.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2855, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Barkis, Bergquist, Blake, Buys, Caldier, Chandler, Chapman, Clibborn, Cody, Condotta, DeBolt, Dent, Doglio, Dolan, Dye, Eslick, Fey, Fitzgibbon, Frame, Goodman, Graves, Gregerson, Griffey, Haler, Hansen, Hargrove, Harmsworth,
HARRIS, HAYES, HOLY, HUGDINS, IRWIN, JENKIN, JINKINS, JOHNSON, KAGI, KILDUFF, KIRBY, KLIPPERT, KLOBA, KRAFT, KRETZ, KRISTIANSEN, LOVICK, LYTTON, MACEWEN, MACRI, MANWELLER, MAYCUMBER, McBRIDE, MCCABE, MCCASLIN, McDONALD, MORRIS, MURI, NEALEY, ORCUITT, ORMSBY, ORTIZ-SELF, ORWALL, PELLICCIOTTI, PETERSON, PETTIGREW, PIKE, POLETT, REEVES, RICCELLI, ROBINSON, RODNE, RYU, SANTOS, SAWYER, SCHMICK, SELLS, SENN, SHEA, SLATTER, SMITH, SPRINGER, STAMBAGH, STANFORD, STEELE, STOKESBARY, STONIER, SULLIVAN, TARLETON, TAYLOR, THARINGER, VALDEZ, VAN WERVEN, VICK, VOLZ, WALSH, WILCOX, WYLIE, YOUNG AND MR. SPEAKER.

SUBSTITUTE HOUSE BILL NO. 2855, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2894, by Representatives SCHMICK and CODY

Concerning certificate of need exemptions for certain ambulatory facilities and centers.

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 SCHMICK and CODY 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 House Bill No. 2894.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2894, and the bill passed the House by the following vote: YEAS, 98; NAYS, 0; ABSENT, 0; EXCUSED, 0.

Voting yeas: REPRESENTATIVES APPELTON, BARKIS, BERGQUIST, BLAKE, BUR, CALDIER, CHANDLER, CHAPMAN, CLIBORN, CODY, CONDOTTA, DEBOLT, DENT, DOGLO, DOLAN, DYE, ESICK, FAY, FITZGIBBON, FRAME, GOODMAN, GRAVES, GREGORSON, GRIFFEY, HALER, HANSEN, HARGROVE, HARMSWORTH, HARRIS, HAYES, HOLY, HUDGINS, IRWIN, JENKIN, JINKINS, JOHNSON, KAGI, KILDUFF, KIRBY, KLIPPERT, KLOBA, KRAFT, KRETZ, KRISTIANSEN, LOVICK, LYTTON, MACEWEN, MACRI, MANWELLER, MAYCUMBER, McBRIDE, MCCABE, MCCASLIN, McDONALD, MORRIS, MURI, NEALEY, ORCUITT, ORMSBY, ORTIZ-SELF, ORWALL, PELLICCIOTTI, PETERSON, PETTIGREW, PIKE, POLETT, REEVES, RICCELLI, ROBINSON, RODNE, RYU, SANTOS, SAWYER, SCHMICK, SELLS, SENN, SHEA, SLATTER, SMITH, SPRINGER, STAMBAGH, STANFORD, STEELE, STOKESBARY, STONIER, SULLIVAN, TARLETON, TAYLOR, THARINGER, VALDEZ, VAN WERVEN, VICK, VOLZ, WALSH, WILCOX, WYLIE, YOUNG AND MR. SPEAKER.

HOUSE BILL NO. 2894, having received the necessary constitutional majority, was declared passed.

MOTION

There being no objection, the Committee on Community Development, Housing & Tribal Affairs was relieved HOUSE JOINT MEMORIAL NO. 4011 the bill was placed on the third reading calendar.

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

SECOND READING

HOUSE BILL NO. 2396, by REPRESENTATIVES REEVES, ROBINSON, KAGI, VALDEZ, DOGLIO, RICCELLI AND STONIER

Establishing the working families' child care access and affordability through regional employers act.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2396 was substituted for House Bill No. 2396 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2396 was read the second time.

With the consent of the House, amendments (815), (914), (903), (902), (867), (866), (856) and (838) were withdrawn.

Representative Reeves moved the adoption of the striking amendment (852).

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that high quality child care helps build foundational skills to prepare our children for the future. These skills strengthen the next generation of workers and contribute to the success of businesses and the economic well-being of our state.

(2) The legislature further finds that working families are experiencing an affordability crisis when it comes to caring for their young children. Child care is one of the largest household expenses for most families, with the cost all too often being too much for a family to manage. At the same time, child care providers and private businesses across all sectors are facing a workforce shortage and are reporting worker losses due to extended vacancies, absenteeism, and a shortage of skilled workers. To remain in the workforce, parents with
young children need reliable child care to be able to improve their skills through education, resulting in retained employment and increased productivity. A recent report by the United States chamber of commerce foundation found that high quality child care is an under-recognized and promising strategy for addressing America's growing workforce crisis.

(3) The legislature also finds that the bureau of labor statistics reports less than forty percent of the workforce is offered dependent care flexible spending accounts by their employers. Further, the legislature finds that employees with higher wages and those working for larger employers are more likely to have access to this benefit.

(4) Therefore, the legislature intends to partner with private employers to implement and support strategies to increase access to quality child care and early learning opportunities, preparing children for school and supporting parents as productive members of the workforce.

(5) The legislature further intends to create a pilot program with small businesses that increases the affordability of child care for working families by providing meaningful incentives for employers to contribute to the child care costs of their employees. If the pilot program is successful, the legislature intends to expand the incentive to additional employers.

Part I

Employer Supported Child Care

NEW SECTION. Sec. 101. A new section is added to chapter 43.216 RCW to read as follows:

(1) The department must consult with the department of commerce to develop a web site containing current resources for businesses regarding employer-supported child care. The web site must be available to the public within one year of the effective date of this section and must be updated regularly. Web site resources must include, at a minimum:

(a) Information about the benefits to employers and employees associated with employer-supported child care;

(b) Guidance for the provision of on-site care at the workplace, including permitting and licensing resources to facilitate the development and construction of child care facilities;

(c) Tools and guidance for the provision of financial assistance to employees for child care expenses;

(d) A model policy for the establishment of a "bring your infant to work" program for employees who are the parent or legal guardian of an infant up to six months of age; and

(e) A link to a licensed child care registry developed and maintained by a professional organization of child care providers jointly with participating employers.

(2) The department must consult with the office of financial management to modify the "bring your infant to work" policy established in this section for use in state agencies.

(3) In accordance with RCW 43.01.036 the department must submit a report to the governor and the appropriate committees of the legislature by November 1, 2020. The report must include a summary of the resources provided on the site created under subsection (1) of this section and information about activities undertaken by other states related to incentivizing businesses to provide employer-supported child care.

(4) For the purposes of this section, "employer-supported child care" means:

(a) A licensed child care center operated at or near the workplace by an employer for the benefit of employees; or

(b) Financial assistance provided by an employer for licensed child care expenses incurred by an employee.

Sec. 102. RCW 43.330.060 and 2010 c 165 s 2 are each amended to read as follows:

(1) The department shall (a) assist in expanding the state's role as an international center of trade, culture, and finance; (b) promote and market the state's products and services both nationally and internationally; (c) work in close cooperation with other private and public international trade efforts; (d) act as a centralized location for the assimilation and distribution of trade information; and (e) establish and operate foreign offices promoting overseas trade and commerce.

(2) The department shall identify and work with Washington businesses that can
use local, state, and federal assistance to increase domestic and foreign exports of goods and services.

(3) The department shall work generally with small businesses and other employers to facilitate resolution of siting, regulatory, expansion, and retention problems. This assistance shall include but not be limited to assisting in workforce training and infrastructure needs, identifying and locating suitable business sites, and resolving problems with government licensing and regulatory requirements. The department shall identify gaps in needed services and develop steps to address them including private sector support and purchase of these services.

(4) The department shall work to increase the availability of capital to small businesses by developing new and flexible investment tools; by assisting in targeting and improving the efficiency of existing investment mechanisms; and by assisting in the procurement of managerial and technical assistance necessary to attract potential investors.

(5) The department shall assist women and minority-owned businesses in overcoming barriers to entrepreneurial success. The department shall contract with public and private agencies, institutions, and organizations to conduct entrepreneurial training courses for minority and women-owned businesses. The instruction shall be intensive, practical training courses in financing, marketing, managing, accounting, and recordkeeping for a small business, with an emphasis on federal, state, local, or private programs available to assist small businesses. Instruction shall be offered in major population centers throughout the state at times and locations that are convenient for minority and women small business owners.

(6)(a) Subject to the availability of amounts appropriated for this specific purpose, by December 1, 2010, the department, in conjunction with the small business development center, must prepare and present to the governor and appropriate legislative committees a specific, actionable plan to increase access to capital and technical assistance to small businesses and entrepreneurs beginning with the 2011-2013 biennium. In developing the plan, the department and the center may consult with the Washington State microenterprise association, and with other government, nonprofit, and private organizations as necessary. The plan must identify:

(i) Existing sources of capital and technical assistance for small businesses and entrepreneurs;

(ii) Critical gaps and barriers to availability of capital and delivery of technical assistance to small businesses and entrepreneurs;

(iii) Workable solutions to filling the gaps and removing barriers identified in (a)(ii) of this subsection; and

(iv) The financial resources and statutory changes necessary to put the plan into effect beginning with the 2011-2013 biennium.

(b) With respect to increasing access to capital, the plan must identify specific, feasible sources of capital and practical mechanisms for expanding access to it.

(c) The department and the center must include, within the analysis and recommendations in (a) of this subsection, any specific gaps, barriers, and solutions related to rural and low-income communities and small manufacturers interested in exporting.) The department must assist businesses with identifying resources for the provision of employer-supported child care as defined in section 101 of this act and conduct outreach to businesses located in rural and underserved areas about the incentives in sections 302 and 303 of this act.

NEW SECTION. Sec. 103. The office of financial management must:

(1) Consult with the department of children, youth, and families to modify the model policy developed under section 101 of this act as appropriate for implementation at state agencies; and

(2) Provide the model policy and implementation guidelines to state agency directors by December 1, 2018. The implementation guidelines must require agencies to adopt the policy by June 1, 2019, and allow agencies to modify the policy or limit its application as appropriate based on the working conditions and job duties of agency personnel.

(3) This section expires July 1, 2019.

Part II
Child Care Workforce Conditional Scholarship and Loan Repayment Program

NEW SECTION. Sec. 201. A new section is added to chapter 43.216 RCW to read as follows:

The definitions in this section apply throughout this part unless the context clearly requires otherwise.

(1) "Conditional scholarship" means a loan that is given to an eligible student under an agreement in which the eligible student will be relieved of his or her obligation to repay all or part of the loan in exchange for his or her providing early learning services in the state of Washington and meeting all other requirements of the agreement.

(2) "Early learning services" has the same meaning as "early learning" as defined in RCW 43.216.010.

(3) "Eligible student" means a student who is registered for at least three credit hours or the equivalent, is a resident student as defined by RCW 28B.15.012(2) and 28B.15.013, and has a declared intention to complete an approved program of study and provide early learning services in the state of Washington and meet all other requirements under a conditional scholarship agreement entered into between the student and the department.

(4) "Equalization fee" means the additional amount added to the principal of a loan under this chapter to equate the debt to that which the student would have incurred if the loan had been received through the federal direct Stafford student loan program.

(5) "Institution of higher education" or "institution" means a college or university in the state of Washington that is accredited by an accrediting association recognized as such by rule of the student achievement council.

(6) "Loan repayment" means a student loan that is repaid in whole or in part if the recipient renders early learning services in the state under requirements of an agreement entered into under this chapter.

(7) "Participant" means an individual who has received a conditional scholarship or loan repayment under this chapter.

(8) "Rural and underserved area" means an area where credentialed early learning providers are in short supply, as determined by the department of children, youth, and families.

(9) "Satisfied" means paid in full.

(10) "Service obligation" means an obligation by the participant to provide early learning services for a period to be established as provided for in this chapter.

NEW SECTION. Sec. 202. A new section is added to chapter 43.216 RCW to read as follows:

(1) The child care workforce conditional scholarship and loan repayment program is established. The program is comprised of the following two components:

(a) Conditional scholarships awarded to eligible students attending an institution of higher education who meet the requirements established under this chapter; and

(b) Loan repayments for participants providing early learning services in the state and who meet the requirements for loan repayment established under this chapter.

(2) The program must be administered by the department of children, youth, and families. In administering the program, the department must:

(a) Select eligible students to be awarded conditional scholarships;

(b) Select participants to receive loan repayments;

(c) Adopt rules and develop guidelines to administer the program;

(d) Publicize the program, particularly to maximize participation among individuals in shortage areas and among populations expected to experience the greatest growth in the workforce;

(e) Collect and manage repayments from conditional scholarship participants who do not meet their required service obligations or otherwise fail to meet the requirements under their agreements; and

(f) Solicit and accept grants and donations from public and private sources for the program.

NEW SECTION. Sec. 203. A new section is added to chapter 43.216 RCW to read as follows:
(1) The department must establish a planning committee to assist in developing criteria for the selection of participants. Planning committee members must include representatives of the department of social and health services; the department of children, youth, and families; private business; child day care center providers; family day care providers; and a union representing child care providers.

(2) When selecting participants, the department must give priority to individuals providing early learning services in:

(a) Rural and underserved areas; and

(b) Low-income neighborhoods or in a low-income child care provider settings as defined in RCW 43.216.010.

NEW SECTION. Sec. 204. A new section is added to chapter 43.216 RCW to read as follows:

To receive disbursements from a conditional scholarship under this chapter, an eligible student must be considered by his or her institution of higher education to be in a satisfactory progress condition, in addition to any other requirements established in an agreement between the eligible student and the department.

NEW SECTION. Sec. 205. A new section is added to chapter 43.216 RCW to read as follows:

(1) The department may award conditional scholarships or provide loan repayments to eligible participants from private donations, or any other funds given to the department for this program.

(2) The amount of the conditional scholarship or loan repayment awarded a participant must not exceed five thousand dollars per year for priority participants and must not exceed two thousand, five hundred dollars per year for all other participants. Participants are eligible to receive conditional scholarships or loan repayments for a maximum of six years.

NEW SECTION. Sec. 206. A new section is added to chapter 43.216 RCW to read as follows:

(1) Upon documentation of student loan indebtedness, the department may enter into agreements with participants to repay all or part of a student loan in exchange for the participant providing early learning services in the state of Washington and meeting all other requirements under the agreement.

(2) The agreement must specify in detail the obligations of the department and the participant, including the amount of loan repayment the participant will receive in exchange for his or her satisfying all requirements of the agreement and any geographic location or area of service requirements that are part of the agreement.

(3)(a) At the end of each year, a participant under this section must provide evidence to the department that the participant has met his or her service obligation and any other requirements under the agreement. Upon receipt of the evidence, the department must pay the participant the agreed-upon amount for one year of full-time service or a prorated amount for less than full-time service.

(b) To qualify for additional loan repayments, the participant must be engaged in continuous service as defined by the department and meet any other requirements established in the agreement.

(4) The department may, at its discretion, arrange to make the loan repayment directly to the holder of the participant's student loan.

(5) The department's obligations to a participant under this section ceases when:

(a) The terms of the agreement have been fulfilled;

(b) The participant fails to maintain continuous service as determined by the department or otherwise fails to fulfill any other term of the agreement; or

(c) The participant's student loans that are subject to the agreement have been repaid.

(6) The department must adopt rules governing loan repayments, including approved leaves of absence from continuous service and other deferments as may be necessary.

NEW SECTION. Sec. 207. A new section is added to chapter 43.216 RCW to read as follows:

(1) A participant in the conditional scholarship program is obligated to repay the conditional scholarship, with interest and an equalization fee, unless
he or she renders early learning services for each year of scholarship received and meets all other requirements as provided under the agreement between the participant and the department.

(2) A participant who fails to complete the required service obligation or otherwise fails to fulfill the terms of the agreement will incur an equalization fee based on the remaining unforgiven balance of the loan. The equalization fee must be added to the remaining balance owed by the participant.

(3) The department must set the minimum payment. The maximum period for repayment is ten years, with payments of principal and interest commencing six months from the date the participant completes or discontinues the course of study. The interest rate must be determined by the department and be established in rule. Provisions for deferral of payment must be determined by the department. The department must establish an appeal process in rule.

(4) The entire principal and interest of each payment must be forgiven for each payment period in which the participant provides early learning services in the state and meets all other requirements of the agreement, until the entire repayment obligation is satisfied. Should the participant cease to provide early learning services in this state before the participant’s service obligation is completed or otherwise fails to fulfill the terms of the agreement, payments on the unsatisfied portion of the principal and interest must begin the next payment period and continue until the remainder of the participant’s repayment obligation is satisfied.

(5) The department is responsible for collection of repayments made under this section and must exercise due diligence in such collection, maintaining all necessary records to insure that maximum repayments are made. Collection and servicing of repayments under this section must be pursued using the full extent of the law, including wage garnishment if necessary. The department must maintain all necessary records of payments made by participants.

(6) Receipts from the payment of principal or interest or any other subsidies to which the office as administrator is entitled, which are paid by or on behalf of participants under this section, must be deposited in the child care workforce conditional scholarship and loan repayment account and must be used to cover the costs of granting the conditional scholarships, maintaining necessary records, and making collections under subsection (5) of this section. The department must maintain accurate records of these costs, and all receipts beyond those necessary to pay such costs must be used to grant conditional scholarships to eligible students.

(7) The department must adopt rules to define the terms of repayment, including applicable interest rates, fees, and deferments.

NEW SECTION. Sec. 208. A new section is added to chapter 43.216 RCW to read as follows:

The child care workforce conditional scholarship and loan repayment account is created in the custody of the state treasurer. All moneys received for the child care workforce conditional scholarship and loan repayment program must be deposited into the account. Expenditures from the account may be used only for conditional loans and loan repayments to participants in the child care workforce conditional scholarship and loan repayment program established by this chapter and costs associated with program administration by the department. Only the director or the director's designee may authorize expenditures from the account. The account is not subject to allotment procedures under chapter 43.88 RCW, except for moneys used for program administration and an appropriation is not required for expenditures.

Part III

Employer Contributions to Dependent Care Accounts

NEW SECTION. Sec. 301. (1) This section is the tax preference performance statement for the tax preferences contained in sections 302 and 303, chapter . . . , Laws of 2018 (sections 302 and 303 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes the tax preferences in this act as ones
intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature’s specific public policy objective to encourage employers to assist their employees with child care expenses by contributing to employee dependent care flexible spending accounts.

(4) To measure the effectiveness of the tax preferences provided in sections 302 and 303, chapter . . ., Laws of 2018 (sections 302 and 303 of this act) in achieving the public policy objective in subsection (3) of this section, the joint legislative audit and review committee must provide the following in a published evaluation of the tax preference by July 31, 2022:

(a) The number of employers applying for credits;
(b) The average amount of credit claimed by employers;
(c) The types of businesses claiming credits;
(d) The annual median employee wages paid by each employer claiming a credit; and
(e) The number of employees receiving a qualifying contribution with annual wages in each of the following wage bands:
   (i) Less than forty-five thousand dollars;
   (ii) Greater than or equal to forty-five thousand dollars, but less than ninety thousand dollars; and
   (iii) Greater than or equal to ninety thousand dollars, but less than one hundred twenty-five thousand dollars.

(5) If a review finds that employers request more credits than are available each year, it is the legislature’s intent to increase the annual amount of statewide credits and expand the program to additional employers.

(6) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to data available from the department of revenue and the employment security department.

NEW SECTION. Sec. 302. A new section is added to chapter 82.04 RCW to read as follows:

(1) Subject to the limitations in this section, an employer with at least five but no more than one hundred employees is allowed a credit against the tax imposed under this chapter for qualifying contributions made to dependent care flexible spending accounts for eligible employees.

(2) The credit is equal to the full amount of qualifying contributions to dependent care flexible spending accounts for eligible employees during the calendar year, minus any qualifying contributions returned to the employer from the third-party administrator. The credit under this section and section 303 of this act may not exceed five thousand dollars per eligible employee and fifty thousand dollars per employer in any calendar year.

(3) The department must keep a running total of all credits approved under this section and section 303 of this act for each calendar year. The department may not approve any credits under this section and section 303 of this act that would cause the total amount of approved credits statewide to exceed five hundred thousand dollars in any calendar year.

(4) Application for tax credits under this section must be submitted to the department before making qualifying contributions to employee dependent care assistance accounts. The application must be made to the department in a form and manner prescribed by the department. The application must include the proposed amount of qualifying contributions to employee dependent care assistance accounts, the proposed number of eligible employees receiving contributions, and other information required by the department to determine eligibility under this section. The application may not contain personal employee information such as names or social security numbers, but must identify the number of employees receiving wages in each wage band, as provided under section 301(4) of this act, for whom the employer makes a qualifying contribution. The department must rule on the application within forty-five days. Applications must be approved on a first-come basis.

(5) The credit may be claimed only in the calendar year immediately following the calendar year in which the credit was
approved by the department and the qualifying contributions were made. The amount of credit claimed for a reporting period may not exceed the tax otherwise due under this chapter for that reporting period. Credits may not be carried over to subsequent years. No refunds may be granted for any unused credits.

(6) To claim a credit under this section, a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. Any return, form, or information required to be filed in an electronic format under this section is not filed until received by the department in an electronic format. As used in this subsection, "returns" has the same meaning as "return" in RCW 82.32.050.

(7) The department may not accept any applications before January 1, 2019, or after December 31, 2028. The department may not allow any credit to be claimed before January 1, 2020, or after December 31, 2029.

(8) A person that was approved for credit as provided in this section must make the total approved contribution by the end of the calendar year in which the contribution was approved.

(9) A person that does not make a contribution as required in subsection (8) of this section forfeits all credits for the approved contribution.

(10) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Dependent care flexible spending account" means dependent care assistance as defined in 26 U.S.C. Sec. 129 of the federal internal revenue as it existed on the effective date of this section, or such subsequent date as may be provided by the department by rule.

(b) "Eligible employee" means an employee with annual wages of less than one hundred twenty-five thousand dollars.

(c) "Qualifying contribution" means a contribution by an employer to a dependent care flexible spending account for an eligible employee used to pay for the care of a child under age thirteen.

(d) "Third-party administrator" means a person contracted by an employer to administer dependent care flexible spending accounts for eligible employees.

NEW SECTION. Sec. 303. A new section is added to chapter 82.16 RCW to read as follows:

(1) Subject to the limitations in this section, an employer with at least five but no more than one hundred employees is allowed a credit against the tax imposed under this chapter for qualifying contributions made to dependent care flexible spending accounts for eligible employees.

(2) The credit is equal to the full amount of qualifying contributions to dependent care flexible spending accounts for eligible employees during the calendar year, minus any qualifying contributions returned to the employer from the third-party administrator. The credit under this section and section 302 of this act may not exceed five thousand dollars per eligible employee and fifty thousand dollars per employer in any calendar year.

(3) The department must keep a running total of all credits approved under this section and section 302 of this act for each calendar year. The department may not approve any credits under this section and section 302 of this act that would cause the total amount of approved credits statewide to exceed five hundred thousand dollars in any calendar year.

(4) Application for tax credits under this section must be submitted to the department before making qualifying contributions to employee dependent care assistance accounts. The application must be made to the department in a form and manner prescribed by the department. The application must include the proposed amount of qualifying contributions to employee dependent care assistance accounts, the proposed number of eligible employees receiving contributions, and other information required by the department to determine eligibility under this section. The application may not contain personal employee information such as names or social security numbers, but must identify the number of employees receiving wages in each wage band, as provided under section 301(4) of this act, for whom the employer makes a qualifying contribution. The department must rule on the application
within forty-five days. Applications must be approved on a first-come basis.

(5) The credit may be claimed only in the calendar year immediately following the calendar year in which the credit was approved by the department and the qualifying contributions were made. The amount of credit claimed for a reporting period may not exceed the tax otherwise due under this chapter for that reporting period. Credits may not be carried over to subsequent years. No refunds may be granted for any unused credits.

(6) To claim a credit under this section, a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. Any return, form, or information required to be filed in an electronic format under this section is not filed until received by the department in an electronic format. As used in this subsection, "returns" has the same meaning as "return" in RCW 82.32.050.

(7) The department may not accept any applications before January 1, 2019, or after December 31, 2028. The department may not allow any credit to be claimed before January 1, 2020, or after December 31, 2029.

(8) A person that was approved for credit as provided in this section must make the total approved contribution by the end of the calendar year in which the contribution was approved.

(9) A person that does not make a contribution as required in subsection (8) of this section forfeits all credits for the approved contribution.

(10) The definitions in section 302 of this act apply to this section.

**Part IV**

**Miscellaneous Provisions**

NEW SECTION. Sec. 401. (1) Sections 201 through 207 of this act take effect on the date that the contributions to the child care workforce conditional scholarship and loan repayment account, created in section 208 of this act, exceed one hundred thousand dollars.

(2) The department of children, youth, and families must provide written notice of the effective date of sections 201 through 207 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."

Correct the title.

Representative Young moved the adoption of amendment (956) to the striking amendment (852):

On page 11, beginning on line 15 of the striking amendment, after "annual" strike all material through "dollars" on line 20 and insert "gross wages that do not exceed ninety-eight thousand eight hundred eighty dollars"

On page 12, line 20 of the striking amendment, after "of" insert "eligible"

On page 12, line 21 of the striking amendment, after "wages" strike "in each wage band"

On page 13, beginning on line 17 of the striking amendment, after "annual" strike "wages of less than one hundred twenty-five thousand dollars" and insert "gross wages that do not exceed ninety-eight thousand eight hundred eighty dollars"

On page 14, line 17 of the striking amendment, after "of" insert "eligible"

On page 14, line 18 of the striking amendment, after "wages" strike "in each wage band"

Representatives Young and Senn spoke in favor of the adoption of amendment (956) to the striking amendment (852).

Amendment (956) was adopted.

Representative Reeves spoke in favor of the adoption of the striking amendment (852) as amended.

Amendment (852) as amended, 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 Reeves, Dent, Senn and Irwin spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

**MOTION**
On motion of Representative Riccelli, Representative Ormsby was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 2396.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2396, and the bill passed the House by the following vote: Yeas, 84; Nays, 13; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

HOUSE BILL NO. 2396, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1470, by Representatives Hudgins, Koster, Halter, Griffey, Manweller and Doglio

Modifying declaration of candidacy provisions.

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 Hudgins and McDonald 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 House Bill No. 1470.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1470, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

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 Hudgins and Kraft 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 House Bill No. 2962.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2962, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

HOUSE BILL NO. 2962, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2356, by Representatives Cody, Johnson, McBride, Jinkins, Ryu and Ormsby

Concerning stem cell therapies not approved by the United States food and drug administration.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2356 was substituted for House Bill No. 2356 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2356 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.

There being no objection, the rules were suspended, and ENGROSSED SUBSTITUTE HOUSE BILL NO. 2356 was returned to second reading for the purpose of amendment.

SECOND READING

Representative Cody moved the adoption of amendment (951).

On page 2, line 1, after "(3)" insert "A license holder who is required to provide written notice under subsection (1) of this section must also obtain a signed consent form before performing the therapy. The consent form must be signed by the patient, or, if the patient is legally not competent, the patient's representative, and must state, in language the patient could reasonably be expected to understand:

(a) The nature and character of the proposed treatment, including the treatment's food and drug administration approval status;

(b) The anticipated results of the proposed treatment;

(c) The recognized possible alternative forms of treatment; and

(d) The recognized serious possible risks, complications, and anticipated benefits involved in the treatment and in the recognized possible alternative forms of treatment, including nontreatment.

(4)"

Representatives Cody and Schmick spoke in favor of the adoption of the amendment.

Amendment (951) 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 Cody, Schmick and Shea 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 Substitute House Bill No. 2356.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2356, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2356, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1889, by Representatives Pettigrew, Appleton, Peterson, Stanford and Pollet

Creating an office of the corrections ombuds.
The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1889 was substituted for House Bill No. 1889 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1889 was read the second time.

Representative Holy moved the adoption of amendment (927).

On page 2, line 1, after "ombuds" strike all material through "and"

On page 2, line 2, after "secretary." insert "The office of the corrections ombuds must have a clearly delineated budget separate from the overall budget for the office of the governor."

Representatives Holy and Goodman spoke in favor of the adoption of the amendment.

Amendment (927) 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 Pettigrew and Holy spoke in favor of the passage of the bill.

Representative Klippert spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1889.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1889, and the bill passed the House by the following vote: Yeas, 76; Nays, 21; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1889, having received the necessary constitutional majority, was declared passed.


The bill was read the second time.

There being no objection, Substitute House Bill No. 2264 was substituted for House Bill No. 2264 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2264 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 Orwall presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2264.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2264, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Excused: Representative Ormsby.

SUBSTITUTE HOUSE BILL NO. 2264, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2309, by Representatives Kirby and Vick

Concerning service contract providers.

The bill was read the second time.

Representative Kirby moved the adoption of the striking amendment (855).

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 48.110.017 and 2013 c 117 s 2 are each amended to read as follows:

This chapter does not prohibit a service contract provider from covering, in whole or in part, residential water, sewer, plumbing, electrical, heating and cooling systems, utilities, or similar systems, including items intended to be attached to or installed in any real property, with or without coverage of appliances, or from sharing contract revenue with local governments or other third parties for endorsements and marketing services.

Sec. 2. RCW 48.110.030 and 2016 c 224 s 1 are each amended to read as follows:

(1) A person may not act as, or offer to act as, or hold himself or herself out to be a service contract provider in this state, nor may a service contract be sold to a consumer in this state, unless the service contract provider has a valid registration as a service contract provider issued by the commissioner.

(2) Applicants to be a service contract provider must make an application to the commissioner upon a form to be furnished by the commissioner. The application must include or be accompanied by the following information and documents:

(a) All basic organizational documents of the service contract provider, including any articles of incorporation, articles of association, partnership agreement, trade name certificate, trust agreement, shareholder agreement, bylaws, and other applicable documents, and all amendments to those documents;

(b) The identities of the service contract provider's executive officer or officers directly responsible for the service contract provider's service contract business, and, if more than fifty percent of the service contract provider's gross revenue is derived from the sale of service contracts, the identities of the service contract provider's directors and stockholders having beneficial ownership of ten percent or more of any class of securities;

(c)(i) For service contract providers relying on RCW 48.110.050(2) (a) or (b) or 48.110.075(2)(a) to assure the faithful performance of its obligations to service contract holders, the most recent audited annual financial statements, if available, or the most recent audited financial statements which prove that the applicant ((is solvent)) has and maintains a minimum net worth or stockholder's equity of two hundred thousand dollars or more calculated in accordance with section 6 of this act and the ability to pay its debts when debts become due. In lieu of submitting audited financial statements, a service contract provider relying on RCW 48.110.050(2) (a) or 48.110.075(2)(a) to assure the faithful performance of its obligations to service contract holders may comply with the requirements of this subsection (2)(c)(i) by submitting the most recent annual financial statements, if available, or the most recent financial statements of the applicant that are certified as accurate by two or more officers of the applicant; or

(ii) For service contract providers relying on RCW 48.110.050(2)(c) to assure the faithful performance of its obligations to service contract holders, the most recent audited annual financial statements, if available, or the most recent audited financial statements or form 10-K or form 20-F filed with the securities and exchange commission which prove that the applicant has and maintains a net worth or stockholder's equity of one hundred million dollars or more. However, if the service contract provider is relying on its parent company's net worth or stockholder's equity to meet the requirements of RCW 48.110.050(2)(c) and the service contract provider has provided the commissioner with a written guarantee by the parent company in accordance with RCW 48.110.050(2)(c), then the most recent audited annual financial statements, if
available, or the most recent audited financial statements or form 10-K or form 20-F filed with the securities and exchange commission of the service contract provider's parent company must be filed and the applicant need not submit its own financial statements or demonstrate a minimum net worth or stockholder's equity; and

(d) An application fee of two hundred fifty dollars, which must be deposited into the general fund.

(3) Each registered service contract provider must appoint the commissioner as the service contract provider's attorney to receive service of legal process issued against the service contract provider in this state upon causes of action arising within this state. Service upon the commissioner as attorney constitutes effective legal service upon the service contract provider.

(a) With the appointment the service contract provider must designate the person to whom the commissioner must forward legal process so served upon him or her.

(b) The appointment is irrevocable, binds any successor in interest or to the assets or liabilities of the service contract provider, and remains in effect for as long as there could be any cause of action against the service contract provider arising out of any of the service contract provider's contracts or obligations in this state.

(c) The service of process must be accomplished and processed in the manner prescribed under RCW 48.02.200.

(4) The commissioner may refuse to issue a registration if the commissioner determines that the service contract provider, or any individual responsible for the conduct of the affairs of the service contract provider under subsection (2)(b) of this section, is not competent, trustworthy, ((financially responsible)) cannot demonstrate a minimum net worth or stockholder's equity and the ability to pay its debts when debts become due in accordance with the applicable requirements of subsection (2)(c) of this section, or has had a license as a service contract provider or similar license denied or revoked for cause by any state.

(5) A registration issued under this section is valid, unless surrendered, suspended, or revoked by the commissioner, or not renewed for so long as the service contract provider continues in business in this state and remains in compliance with this chapter. A registration is subject to renewal annually on the first day of July upon application of the service contract provider and payment of a fee of two hundred dollars, which must be deposited into the general fund. If not so renewed, the registration expires on the June 30th next preceding.

(6) A service contract provider must keep current the information required to be disclosed in its registration under this section by reporting all material changes or additions within thirty days after the end of the month in which the change or addition occurs.

Sec. 3. RCW 48.110.055 and 2016 c 224 s 4 are each amended to read as follows:

(1) This section applies to protection product guarantee providers.

(2) A person must not act as, or offer to act as, or hold himself or herself out to be a protection product guarantee provider in this state, nor may a protection product be sold to a consumer in this state, unless the protection product guarantee provider has:

(a) A valid registration as a protection product guarantee provider issued by the commissioner; and

(b) Either demonstrated its financial responsibility or assured the faithful performance of the protection product guarantee provider’s obligations to its protection product guarantee holders by insuring all protection product guarantees under a reimbursement insurance policy issued by an insurer holding a certificate of authority from the commissioner or a risk retention group, as defined in 15 U.S.C. Sec. 3901(a)(4), as long as that risk retention group is in full compliance with the federal liability risk retention act of 1986 (15 U.S.C. Sec. 3901 et seq.), is in good standing in its domiciliary jurisdiction, and properly registered with the commissioner under chapter 48.92 RCW. The insurance required by this subsection must meet the following requirements:

(i) The insurer or risk retention group must, at the time the policy is filed with the commissioner, and continuously thereafter, maintain surplus as to policyholders and paid-in
capital of at least fifteen million dollars and annually file audited financial statements with the commissioner; and

(ii) The commissioner may authorize an insurer or risk retention group that has surplus as to policyholders and paid-in capital of less than fifteen million dollars, but at least equal to ten million dollars, to issue the insurance required by this subsection if the insurer or risk retention group demonstrates to the satisfaction of the commissioner that the company maintains a ratio of direct written premiums, wherever written, to surplus as to policyholders and paid-in capital of not more than three to one.

(3) Applicants to be a protection product guarantee provider must make an application to the commissioner upon a form to be furnished by the commissioner. The application must include or be accompanied by the following information and documents:

(a) The names of the protection product guarantee provider's executive officer or officers directly responsible for the protection product guarantee provider's protection product guarantee business and their biographical affidavits on a form prescribed by the commissioner;

(b) The name, address, and telephone number of any administrators designated by the protection product guarantee provider to be responsible for the administration of protection product guarantees in this state;

(c) A copy of the protection product guarantee reimbursement insurance policy or policies;

(d) A copy of each protection product guarantee the protection product guarantee provider proposes to use in this state;

(e) The most recent annual financial statements, if available, or the most recent financial statements certified as accurate by two or more officers of the applicant which prove that the applicant ((is solvent)) has and maintains a minimum net worth or stockholder's equity of two hundred thousand dollars or more calculated in accordance with section 6 of this act and the ability to pay its debts when debts become due; and

(f) A nonrefundable application fee of two hundred fifty dollars.

(4) Each registered protection product guarantee provider must appoint the commissioner as the protection product guarantee provider's attorney to receive service of legal process issued against the protection product guarantee provider in this state upon causes of action arising within this state. Service upon the commissioner as attorney constitutes effective legal service upon the protection product guarantee provider.

(a) With the appointment the protection product guarantee provider must designate the person to whom the commissioner must forward legal process so served upon him or her.

(b) The appointment is irrevocable, binds any successor in interest or to the assets or liabilities of the protection product guarantee provider, and remains in effect for as long as there could be any cause of action against the protection product guarantee provider arising out of any of the protection product guarantee provider's contracts or obligations in this state.

(c) The service of process must be accomplished and processed in the manner prescribed under RCW 48.02.200.

(5) The commissioner may refuse to issue a registration if the commissioner determines that the protection product guarantee provider, or any individual responsible for the conduct of the affairs of the protection product guarantee provider under subsection (3)(a) of this section, is not competent, trustworthy, ((financially responsible)) cannot demonstrate a minimum net worth or stockholder's equity in accordance with the applicable requirements of subsection (3)(e) of this section and the ability to pay its debts when debts become due, or has had a license as a protection product guarantee provider or similar license denied or revoked for cause by any state.

(6) A registration issued under this section is valid, unless surrendered, suspended, or revoked by the commissioner, or not renewed for so long as the protection product guarantee provider continues in business in this state and remains in compliance with this chapter. A registration is subject to renewal annually on the first day of July upon application of the protection
product guarantee provider and payment of a fee of two hundred fifty dollars. If not so renewed, the registration expires on the June 30th next preceding.

(7) A protection product guarantee provider must keep current the information required to be disclosed in its registration under this section by reporting all material changes or additions within thirty days after the end of the month in which the change or addition occurs.

Sec. 4. RCW 48.110.130 and 2006 c 274 § 14 are each amended to read as follows:

(1) The commissioner may, subject to chapter 48.04 RCW, deny, suspend, or revoke the registration of a service contract provider or protection product guarantee provider if the commissioner finds that the service contract provider or protection product guarantee provider:

(a) Has violated this chapter or the commissioner's rules and orders;

(b) Has refused to be investigated or to produce its accounts, records, and files for investigation, or if any of its officers have refused to give information with respect to its affairs or refused to perform any other legal obligation as to an investigation, when required by the commissioner;

(c) Has, without just cause, refused to pay proper claims or perform services arising under its contracts or has, without just cause, caused service contract holders or protection product guarantee holders to accept less than the amount due them or caused service contract holders or protection product guarantee holders to employ attorneys or bring suit against the service contract provider or protection product guarantee provider to secure full payment or settlement of claims;

(d) Is affiliated with or under the same general management or interlocking directorate or ownership as another service contract provider or protection product guarantee provider which unlawfully transacts business in this state without having a registration;

(e) At any time fails to meet any qualification for which issuance of the registration could have been refused had such failure then existed and been known to the commissioner;

(f) Has been convicted of, or has entered a plea of guilty or nolo contendere to, a felony;

(g) Is under suspension or revocation in another state with respect to its service contract business or protection product business;

(h) Has made a material misstatement in its application for registration;

(i) Has obtained or attempted to obtain a registration through misrepresentation or fraud;

(j) Has, in the transaction of business under its registration, used fraudulent, coercive, or dishonest practices;

(k) Has failed to pay any judgment rendered against it in this state regarding a service contract or protection product guarantee within sixty days after the judgment has become final; or

(l) Has failed to respond promptly to any inquiry from the insurance commissioner relative to service contract or protection product business. A lack of response within fifteen business days from receipt of an inquiry is untimely. A response must be in writing, unless otherwise indicated in the inquiry.

(2) The commissioner may, without advance notice or hearing thereon, immediately suspend the registration of a service contract provider or protection product guarantee provider if the commissioner finds that any of the following circumstances exist:

(i) The provider either does not maintain the minimum net worth required by this chapter or cannot pay its debts when debts become due, or both;

(ii) A proceeding for receivership, conservatorship, rehabilitation, or other delinquency proceeding regarding the service contract provider or protection product guarantee provider has been commenced in any state; or

(iii) The business practices of the service contract provider or protection product guarantee provider otherwise pose an imminent threat to the public health, safety, or welfare of the residents of this state.
(b) However, nothing in this subsection shall in any way be construed to limit the authority of the commissioner to take action against a service contract provider or a protection product guarantee provider granted by this chapter.

(3) If the commissioner finds that grounds exist for the suspension or revocation of a registration issued under this chapter, the commissioner may, in lieu of suspension or revocation, impose a fine upon the service contract provider or protection product guarantee provider in an amount not more than two thousand dollars per violation.

Sec. 5. RCW 48.110.902 and 2016 c 224 s 5 are each amended to read as follows:

(1) RCW 48.110.030 (2)(a) and (b), (3), and (4), 48.110.040, 48.110.050, 48.110.100, 48.110.110, 48.110.075 (2)(a) and (b) and (4)(e), and 48.110.073 (1) and (2) do not apply to motor vehicle service contracts issued by a motor vehicle manufacturer or import distributor covering vehicles manufactured or imported by the motor vehicle manufacturer or import distributor. (For purposes of this section, "motor vehicle service contract" includes a contract or agreement sold for separately stated consideration for a specific duration to perform any of the services set forth in RCW 48.110.020(18)(b).)

(2) RCW 48.110.030(2)(c) does not apply to a publicly traded motor vehicle manufacturer or import distributor.

(3) RCW 48.110.030 (2)(a) through (c), (3), and (4), 48.110.040, and 48.110.073(2) do not apply to wholly owned subsidiaries of motor vehicle manufacturers or import distributors. For purposes of this subsection, a company is considered a wholly owned subsidiary as long as it is ultimately owned, directly or indirectly, one hundred percent by single or multiple motor vehicle manufacturers or import distributors.

(4) The adoption of chapter 274, Laws of 2006 does not imply that a vehicle protection product warranty was insurance prior to October 1, 2006.

(5) For purposes of this section, "motor vehicle service contract" includes a contract or agreement sold for separately stated consideration for a specific duration to perform any of the services set forth in RCW 48.110.020(18)(b).

NEW SECTION. Sec. 6. A new section is added to chapter 48.110 RCW to read as follows:

(1) A service contract provider relying on RCW 48.110.050(2)(a) or 48.110.075(2)(a) to assure the faithful performance of its obligations to service contract holders shall calculate the minimum net worth or stockholder's equity required by this chapter in accordance with generally accepted accounting principles as set forth by the financial accounting standards board. A service contract provider must follow generally accepted accounting principles, as set forth by the financial accounting standards board, in regard to either unearned service contract fees or expected service contract claims, or both, when determining its net worth. A service contract provider relying on RCW 48.110.050(2)(a) or 48.110.075(2)(a) may elect to use statutory accounting principles in lieu of generally accepted accounting principles if it so chooses.

(2) A service contract provider relying on RCW 48.110.050(2)(b) or (c) to assure the faithful performance of its obligations to service contract holders shall calculate the minimum net worth or stockholder's equity required by this chapter in accordance with generally accepted accounting principles as set forth by the financial accounting standards board but must exclude from its assets all intangible assets including, but not limited to, goodwill, franchises, customer lists, patents or trademarks, and receivables from or advances to officers, directors, employees, salesmen, and affiliated companies when calculating net worth or stockholder's equity. However, a service contract provider relying on RCW 48.110.050(2)(b) or (c) may include receivables from affiliated companies if the affiliated company provides a written irrevocable guarantee to assure repayment of all receivables to the service contract provider and the guaranteeing organization has a net worth or stockholder's equity in excess of one hundred million dollars and submits a statement from a certified public accountant attesting that the net worth or stockholder's equity of the guaranteeing organization meets or exceeds the requirements of this subsection.
(3) A protection product guarantee provider that has elected to assure the faithful performance of its obligations to its protection product guarantee holders by insuring all protection product guarantees under a reimbursement insurance policy in accordance with RCW 48.110.055(2)(b) shall calculate the minimum net worth or stockholder's equity required by this chapter in accordance with generally accepted accounting principles as set forth by the financial accounting standards board. A protection product guarantee provider will follow generally accepted accounting principles, as set forth by the financial accounting standards board, in regard to either unearned protection product guarantee contract fees or expected protection product guarantee contract claims, or both, when determining net worth. A protection product guarantee provider may elect to use statutory accounting principles in lieu of generally accepted accounting principles."

Correct the title.

Representatives Kirby and Vick spoke in favor of the adoption of the striking amendment (855).

Amendment (855) 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 Kirby and Vick 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. 2309.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed House Bill No. 2309, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

ENGROSSED HOUSE BILL NO. 2309, having received the necessary constitutional majority, was declared passed.

**HOUSE BILL NO. 2420, by Representatives Hargrove and Sullivan2420**

Concerning state board of health rules regarding on-site sewage systems.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2420 was substituted for House Bill No. 2420 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2420 was read the second time.

Representative Hargrove moved the adoption of amendment (969).

On page 2, beginning on line 28, strike all material through page 3, line 25.

Representatives Hargrove and Peterson spoke in favor of the adoption of the amendment (969).

Amendment (969) 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 Hargrove, Peterson and Irwin spoke in favor of the passage of the bill.

Representative Dye spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2420.

**ROLL CALL**

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2420, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.


Excused: Representative Ormsby.
The bill was read the second time.

There being no objection the substitute bill by the committee on Agriculture & Natural Resources was not substituted for House Bill No. 2733.

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

Representatives Orcutt, Blake, Irwin and Kraft 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 House Bill No. 2733.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2733, and the bill passed the House by the following vote: Yea, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

HOUSE BILL NO. 2682, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2733, by Representatives Orcutt, Chapman, Maycumber, Tharinger, Dent, Kretz, Blake, Fitzgibbon and Muri

Establishing a prescribed burn certification program at the department of natural resources.

The bill was read the second time.

There being no objection the substitute bill by the committee on Agriculture & Natural Resources was not substituted for House Bill No. 2733.

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

Representatives Orcutt, Blake, Irwin and Kraft 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 House Bill No. 2733.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2682, and the bill passed the House by the following vote: Yea, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

HOUSE BILL NO. 2682, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2861, by Representatives Ortiz-Self, Lovick, Klippert, Kilduff, Kagi, Frame, Jinkins, Macri, Kloba, Pollet and Goodman

Expanding the provision of trauma-informed child care.
The bill was read the second time.

Representative Klippert moved the adoption of amendment (804).

On page 2, line 8, after "develop a" strike "ten-year" and insert "five-year"

On page 2, line 13, after "develop a" strike "ten-year" and insert "five-year"

On page 2, line 16, after "The" strike "ten-year" and insert "five-year"

On page 2, line 25, after "the" strike "ten-year" and insert "five-year"

On page 2, line 33, after "over" strike "ten" and insert "five"

On page 3, line 22, after "submit the" strike "ten-year" and insert "five-year"

Representatives Klippert and Senn spoke in favor of the adoption of the amendment (804).

Amendment (804) 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 Ortiz-Self spoke in favor of the passage of the bill.

Representative Dent spoke against 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. 2861.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2861, and the bill passed the House by the following vote: Yeas, 70; Nays, 27; Absent, 0; Excused, 1.


Excused: Representative Ormsby.

ENGROSSED HOUSE BILL NO. 2861, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2914, by Representatives Smith, Fitzgibbon, Doglio and Senn

Concerning Washington’s economic development potential as a world leader in the responsible management of postconsumer materials.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2914 was substituted for House Bill No. 2914 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2914 was read the second time.

Representative Fitzgibbon moved the adoption of amendment (899).

On page 3, at the beginning of line 13, strike "and campaign"

Representatives Fitzgibbon and Smith spoke in favor of the adoption of the amendment (899).

Amendment (899) 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 Smith and Fitzgibbon 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 Second Substitute House Bill No. 2914.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2914, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Excused: Representative Ormsby.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2914, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2833, by Representatives Morris, Schmick and Hudgins

Transferring duties of the life sciences discovery fund.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2833 was substituted for House Bill No. 2833 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2833 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 Morris and Harmsworth 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 Substitute House Bill No. 2833.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2833, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.


Voting nay: Representative Taylor.

Excused: Representative Ormsby.

SUBSTITUTE HOUSE BILL NO. 2833, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2381, by Representatives Macri, Cody, Tarleton, Santos, Johnson, McBride, Muri, Tharinger, Robinson, Valdez, Stanford, Reeves, Appleton, Harris and Stonier

Allowing certain adult family homes to increase capacity to eight beds.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2381 was substituted for House Bill No. 2381 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2381 was read the second time.

With the consent of the House, amendment (783) was withdrawn.

Representative Macri moved the adoption of amendment (971).

On page 2, beginning on line 34, strike all of subsection (b)

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

On page 3, beginning on line 2, after "actions" strike all material through "beds" on line 3

On page 3, line 6, after "home;" strike "and" (g)"

On page 3, line 7, after "(f)" insert "The home has demonstrated to the department the ability to comply with the emergency evacuation standards established by the department in rule, as existing on the effective date of this section. As an alternate method of compliance with the evacuation standards, the applicant or licensee may install an automatic fire sprinkler system for the home; and (g)"
On page 3, beginning on line 9, after "applications" strike all material through "application" on line 14 and insert "under RCW 70.128.060(13) for a seven or eight bed adult family home only if:

(a) The new provider is a provider of a currently licensed adult family home that has been licensed for a period of no less than twenty-four months since the issuance of the initial adult family home license;

(b) The new provider's current adult family home has been licensed for six residents for at least twelve months prior to application; and

(c) The adult family home has completed two full inspections that have resulted in no enforcement actions"

Representatives Macri and Schmick spoke in favor of the adoption of the amendment (971).

Amendment (971) was adopted.

Representative Macri moved the adoption of amendment (974):

On page 3, line 16, after "shall" strike "conduct" and insert ":

(a) Notify the local jurisdiction in which the home is located, in writing, of the applicant's request to increase bed capacity; and

(b) Conduct"

Representatives Macri and Schmick spoke in favor of the adoption of the amendment (974).

Amendment (974) 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 Macri, Schmick and Barkis 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 Substitute House Bill No. 2381.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2381, and the bill passed the House by the following vote: Yeas, 97; Nays, 1; Absent, 0; Excused, 0.


Voting nay: Representative Smith.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2381, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2229, by Representative Macri

Concerning the applicability of dental practice laws to integrated care delivery systems.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2229 was substituted for House Bill No. 2229 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2229 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.

Representative Macri 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 Substitute House Bill No. 2229.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2229, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


SUBSTITUTE HOUSE BILL NO. 2229, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2175, by Representatives Maycumber, Blake, Buys, Taylor and Shea

Concerning natural resource management activities.

The bill was read the second time.

There being no objection the substitute bill by the committee on Agriculture & Natural Resources was not substituted for House Bill No. 2175.

Representative Fitzgibbon moved the adoption of amendment (968).

On page 1, line 17, after "techniques" insert "and shall develop mitigation actions where appropriate"

Representatives Fitzgibbon and Maycumber spoke in favor of the adoption of the amendment (968).

Amendment (968) 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 Maycumber, Blake, Manweller, Taylor and Dent 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. 2175.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2175, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


ENGROSSED HOUSE BILL NO. 2175, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2704, by Representatives Hudgins, Muri and McBride

Concerning election ballot space and voter informations.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2704 was substituted for House Bill No. 2704 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2704 was read the second time.

Representative Young moved the adoption of amendment (986).

On page 4, after line 33, insert the following:

"Sec. 8. RCW 29A.32.121 and 2004 c 271 s 168 are each amended to read as follows:

(1) The maximum number of words for statements submitted by candidates is as follows: State representative, ((one hundred words); state senator, judge of the superior court, judge of the court of appeals, justice of the supreme court, and all state offices voted upon throughout the state, except that of governor, two hundred words; president and vice president, United States senator, United States representative, and governor, three hundred words.

(2) Arguments written by committees under RCW 29A.32.060 may not exceed two hundred fifty words in length.

(3) Rebuttal arguments written by committees may not exceed seventy-five words in length.

(4) The secretary of state shall allocate space in the pamphlet based on
the number of candidates or nominees for each office."

Correct the title.

Representatives Young and Hudgins spoke in favor of the adoption of the amendment (986).

Amendment (986) 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 Hudgins, McDonald and Irwin 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 Substitute House Bill No. 2704.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2704, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


ENGROSSED SUBSTITUTE HOUSE BILL NO. 2704, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2528, by Representatives Hudgins and Wylie

Providing for the coordination of continuity of operations efforts for elections.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2528 was substituted for House Bill No. 2528 and the substitute bill was placed on the second reading calendar.

HOUSE BILL NO. 2406, by Representatives Hudgins, Stanford and Ormsby

Concerning election security practices around auditing and equipment.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2406 was substituted for House Bill No. 2406 and the substitute bill was placed on the second reading calendar.

On page 2, beginning on line 2, after "conduct" strike all material through
"methods:" on line 3 and insert "a random check of the ballot counting equipment in accordance with RCW 29A.60.170, and an audit of duplicated ballots. The audit of duplicated ballots must involve a comparison of ballots duplicated under RCW 29A.60.125 to the original ballot. The county canvassing board must establish procedures for the auditing of duplicated ballots.

(2) In addition to the random check performed in subsection (1) of this section, the county auditor may conduct an audit using one of the following methods:

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

On page 2, beginning on line 26, after "(b)" strike all material through "(c)" on line 28

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

On page 4, line 16, after "party" insert "consistent with RCW 29A.40.100"

On page 4, beginning on line 22, after "equipment" strike all material through "auditor" on line 24 and insert "(may)"

must be conducted ((upon mutual agreement of the political party observers or at the discretion of the county auditor)) at least once per day that incoming ballots are processed until the results are certified. The first random check for each day must occur when the first set of ballots are processed through the ballot counting equipment."

On page 4, line 30, after "involve" insert ", for each machine."

On page 4, line 32, after "county" insert ", but not less than one hundred ballots per random check. If there is not at least one hundred ballots to randomly check for any given day, then a random check must be conducted for all ballots processed for that day"

Beginning on page 4, line 36, after "board" strike all material through "day" on page 5, line 6 and insert "((and the check must be completed no later than forty-eight hours after election day)). The random check procedures must include a process, consistent with RCW 29A.60.185(3) and rules adopted under RCW 29A.60.185(4), for expanding the audit to include additional ballots when a random check conducted under this section results in a discrepancy. The procedure must specify under what circumstances a discrepancy will lead to an audit of additional ballots and the method to determine how many additional ballots will be selected. Procedures adopted under RCW 29A.60.185 pertaining to investigations of any discrepancy found during an audit must be follow:

On page 7, after line 7, insert the following:

"Sec. 8. RCW 29A.40.100 and 2011 c 10 s 40 are each amended to read as follows:

County auditors must request that observers be appointed by the major political parties to be present during the processing of ballots at the counting center and other locations where incoming ballots are handled or processed by election officials. County auditors have discretion to also request that observers be appointed by any campaigns or organizations. Appointed observers must be allowed access to view each stage of processing of incoming ballots including, but not limited to: Postelection audits conducted under RCW 29A.60.185 and 29A.60.170, removal of ballots from drop boxes, opening and sorting of ballots, signature verification, envelope review, ballot review, scanning, tabulation, and adjudication including duplication of ballots pursuant to RCW 29A.60.125. The absence of the observers will not prevent the processing of ballots if the county auditor has requested their presence.

Sec. 9. RCW 29A.60.125 and 2005 c 243 s 10 are each amended to read as follows:

If inspection of the ballot reveals a physically damaged ballot or ballot that may be otherwise unreadable or uncountable by the tabulating system, the county auditor may refer the ballot to the county canvassing board or duplicate the ballot if so authorized by the county canvassing board. The voter's original ballot may not be altered. A ballot may be duplicated only if the intent of the voter's marks on the ballot is clear and the electronic voting equipment might not otherwise properly tally the ballot to reflect the intent of the voter. Ballots must be duplicated by teams of two or more people working together. When duplicating ballots, the county auditor shall take the following steps to create and maintain an audit trail of the action taken:
(1) Each original ballot and duplicate ballot must be assigned the same unique control number, with the number being marked upon the face of each ballot, to ensure that each duplicate ballot may be tied back to the original ballot;

(2) A log must be kept of the ballots duplicated, which must at least include:

(a) The control number of each original ballot and the corresponding duplicate ballot;

(b) The initials of at least two people who participated in the duplication of each ballot; and

(c) The total number of ballots duplicated.

Original and duplicate ballots must be sealed in secure storage at all times, except during duplication, inspection by the canvassing board, tabulation, or to conduct an audit under RCW 29A.60.185.

Sec. 10. RCW 29A.60.235 and 2017 c 300 s 1 are each amended to read as follows:

(1) The county auditor shall prepare at the time of certification an election reconciliation report that discloses the following information:

(a) The number of registered voters;

(b) The number of ballots issued;

(c) The number of ballots received;

(d) The number of ballots counted;

(e) The number of ballots rejected;

(f) The number of provisional ballots issued;

(g) The number of provisional ballots received;

(h) The number of provisional ballots counted;

(i) The number of provisional ballots rejected;

(j) The number of federal write-in ballots received;

(k) The number of federal write-in ballots counted;

(l) The number of federal write-in ballots rejected;

(m) The number of overseas and service ballots received by mail, email, or facsimile;

(n) The number of overseas and service ballots counted by mail, email, or facsimile;

(o) The number of overseas and service ballots rejected by mail, email, or facsimile;

(p) The number of overseas and service ballots that were rejected for:

(i) Failing to send an original or hard copy of the ballot by the certification deadline; or

(ii) Any other reason, including the reason for rejection;

(q) The number of nonoverseas and nonservice ballots received by email, web site link, or facsimile;

(r) The number of nonoverseas and nonoverseas and nonservice ballots that were rejected for:

(i) Failing to send an original or hard copy of the ballot by the certification deadline; or

(ii) Any other reason, including the reason for rejection;

(t) The number of voters credited with voting;

(u) The number of replacement ballots requested;

(v) The number of replacement ballots issued;

(w) The number of replacement ballots received;

(x) The number of replacement ballots counted;

(y) The number of replacement ballots rejected; and

(z) Any other information the auditor or secretary of state deems necessary to reconcile the number of ballots counted with the number of voters credited with voting, and to maintain an audit trail.

(2) The county auditor must make the report available to the public at the auditor’s office and must publish the report on the auditor’s web site at the time of certification. The county auditor must submit the report to the secretary of state at the time of certification in any form determined by the secretary of state.

(3)(a) The secretary of state must collect the reconciliation reports from each county auditor and prepare a statewide reconciliation report for each state primary and general election. The
report may be produced in a form determined by the secretary that includes the information as described in this subsection (3). The report must be prepared and published on the secretary of state's web site within two months after the last county's election results have been certified.

(b) The state report must include a comparison among counties on rates of votes received, counted, and rejected, including provisional, write-in, overseas ballots, and ballots transmitted electronically. The comparison information may be in the form of rankings, percentages, or other relevant quantifiable data that can be used to measure performance and trends.

(c) The state report must also include an analysis of the data that can be used to develop a better understanding of election administration and policy. The analysis must combine data, as available, over multiple years to provide broader comparisons and trends regarding voter registration and turnout and ballot counting. The analysis must incorporate national election statistics to the extent such information is available.

Correct the title.

Representatives Shea and Hudgins spoke in favor of the adoption of the amendment (978).

Amendment (978) was adopted.

Representative Hudgins moved the adoption of amendment (762):

On page 2, line 25, after "audit" insert ". As used in this subsection, "in-person ballot marking system" or "system" means an in-person ballot marking system that retains or produces a voting record of each vote cast using the system"

Representatives Hudgins and McDonald spoke in favor of the adoption of the amendment (762).

Amendment (762) was adopted.

Representative Bergquist moved the adoption of amendment (975):

On page 3, after line 39, insert the following:

"(4) The county auditor must develop methods to regularly audit electronic ballot return systems to ensure accuracy when one hundred or more ballots in any election have been returned electronically by voters who are not overseas voters or service voters."

Representative Bergquist spoke in favor of the adoption of the amendment (975).

Amendment (975) 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 Hudgins and McDonald 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 Substitute House Bill No. 2406.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2406, and the bill passed the House by the following vote: Yeas, 97; Nays, 1; Absent, 0; Excused, 0.


Voting nay: Representative Kagi.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2406, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on Engrossed Substitute House Bill No. 2406.

Representative Kagi, 32 District

SECOND READING
HOUSE BILL NO. 2289, by Representatives Kilduff, Muri, Jinkins, Fey, Sawyer and Gregerson

Concerning the release and commitment of persons involuntarily committed after the dismissal of a felony.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2289 was substituted for House Bill No. 2289 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2289 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 Kilduff and Graves 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 Substitute House Bill No. 2289.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2289, and the bill passed the House by the following vote: Yeas, 97; Nays, 1; Absent, 0; Excused, 0.


Voting nay: Representative Goodman.

SUBSTITUTE HOUSE BILL NO. 2289, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1539, by Representatives McCabe, Santos and Irwin spoke in favor of the passage of the bill.

There being no objection, Substitute House Bill No. 1539 was substituted for House Bill No. 1539 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1539 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 McCabe, Santos and Irwin 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 Substitute House Bill No. 1539.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1539, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


SUBSTITUTE HOUSE BILL NO. 1539, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1513, by Representatives Bergquist, Stambaugh, Frame, Hudgins, Sawyer, Slatter, Macri, Gregerson, Peterson, McBride, Doglio, Appleton, Fitzgibbon, Goodman, Tharinger, Farrell, Pollet, Ormsby, Dolan and Riccelli

Concerning the collection of youth voter registration sign up information. Revised for 2nd Substitute: Collecting youth voter registration sign up information.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1513 was substituted for House Bill No. 1513 and the second substitute bill was placed on the second reading calendar.
SECOND SUBSTITUTE HOUSE BILL NO. 1513 was read the second time.

Representative Irwin moved the adoption of amendment (952).

On page 17, line 9, strike "July 1" and insert "December 15"

Representatives Irwin, Harmsworth, Irwin (again) and Harmsworth (again) spoke in favor of the adoption of the amendment (952).

Representatives Hudgins and Dolan spoke against the adoption of the amendment (952).

Division was demanded and the demand was sustained. The Speaker (Representative Orwall presiding) divided the House. The result was 48 - YEAS; 50 - NAYS.

Amendment (952) was not 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 Bergquist, Riccelli, Hudgins, Dolan and Stambaugh spoke in favor of the passage of the bill.

Representatives Kraft, McDonald, Van Werven, Orcutt, Jenkin, Irwin, Steele, Taylor, Johnson, Young and Caldier spoke against 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. 1513.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1513, and the bill passed the House by the following vote: Yeas, 52; Nays, 46; Absent, 0; Excused, 0.


SECOND SUBSTITUTE HOUSE BILL NO. 1513, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2595, by Representatives Hudgins, Dolan, Appleton, Gregerson, Pellicciotti, Jinkins, Senn, Wylie, Peterson, Sawyer, Fitzgibbon, Valdez, Stanford, Pollet, Doglio, Goodman, Ormsby, Macri, Riccelli, Robinson and Stonier

Concerning procedures in order to automatically register citizens to vote.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 2595 was substituted for House Bill No. 2595 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 2595 was read the second time.

Representative Stokesbary moved the adoption of amendment (950):

On page 2, after line 9, insert the following:

"NEW SECTION. Sec. 3. The legislature recognizes that the voting process is a public benefit unrelated to transportation and the transportation budget. The legislature expects the department of licensing to biennially detail all of its costs to implement the automatic voter registration system described in this act, including information technology upgrades and personnel costs, and submit that total amount as an agency request for funding from the state general fund."

Representative Stokesbary spoke in favor of the adoption of the amendment (950).

Representative Cibbrom spoke against the adoption of the amendment (950).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (950) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 50; Absent, 0; Excused, 0.

Voting yea: Representatives Barkis, Buys, Caldier, Chandler, Condotha, DeBolt, Dent, Dye, Eslick, Griffey, Haler, Hargrove, Harmsworth, Harris, Hayes, Holy, Irwin, Jenkin, Johnson, Klippert, Kraft, Kretz, Kristiansen, MacEwen, Manweller, Maycumber, McCabe, McCaslin, McDonald, Muri, Nealey, Orcutt, Pike, Rodne, Schmick,
Irwin, Jenkin, Johnson, Klippert, Kraft, Kretz, Kristiansen, MacEwen, Manweller, Maycumber, McCabe, McCaslin, McDonald, Muri, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Smith, Stambaugh, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, Walsh, Wilcox and Young.


Amendment (950) was not adopted.

Representative Hudgins moved the adoption of amendment (949):

On page 3, line 3, after "vote and" strike "is applying for or" and insert "has received or is"

On page 3, line 28, after "date of" strike "application" and insert "issuance"

On page 4, beginning on line 20, after "(4)" strike all material through "law" on line 26 and insert "The department of licensing is prohibited from sharing data files used by the secretary of state to certify voters registered through the automated process outlined in section 102 of this act with any federal agency, or state agency other than the secretary of state"

On page 4, line 32, after "vote, who" strike "are applying for or" and insert "has been issued or is"

Representatives Hudgins and Irwin spoke in favor of the adoption of the amendment (949).

Amendment (949) was adopted.

Representative Irwin moved the adoption of amendment (945):

On page 4, after line 28, insert the following:

"(5) The secretary of state, in consultation with county auditors and the department of licensing, must identify instances where an enhanced driver's license or identicard licensee, whose license has been canceled, had been registered to vote, pursuant to section 102 of this act, whether such person is ineligible to vote, and has voted in an election. By November 20th of each year, the secretary of state must report to the legislature, and issue a press release, identifying in how many instances an ineligible voter became registered to vote pursuant to section 102 of this act, and cast a vote in an election as well as the precinct where each vote was cast."

Representative Irwin and Irwin (again) spoke in favor of the adoption of the amendment (945).

Representative Hudgins spoke against the adoption of the amendment (945).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (945) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 50; Absent, 0; Excused, 0.


Amendment (945) was not adopted.

Representative Harmsworth moved the adoption of amendment (948):

On page 5, after line 12, insert the following:

"Sec. 107. RCW 46.20.207 and 1993 c 501 s 3 are each amended to read as follows:

(1) The department is authorized to cancel any driver's license upon determining that the licensee was not entitled to the issuance of the license, or that the licensee failed to give the required or correct information in his or her application, or that the licensee is incompetent to drive a motor vehicle for
any of the reasons under RCW 46.20.031 (4) and (7).

(2) Upon such cancellation, the licensee must surrender the license so canceled to the department.

(3) Upon the cancellation of an enhanced driver's license or identicard for failure of the licensee to give correct information, if such information had been transferred to the secretary of state for purposes of voter registration, the department must immediately notify the office of the secretary of state, and the county auditor of the county of the licensee's address of record, of the cancellation of the license and identification of the incorrect information.

"Renumber the remaining sections consecutively, correct any internal references accordingly, and correct the title.

Representatives Harmsworth and Hudgins spoke in favor of the adoption of the amendment (948).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (948) and the amendment was adopted by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


Amendment (948) was adopted.

Representative Irwin moved the adoption of amendment (946):

On page 9, after line 28, insert the following:

"NEW SECTION. Sec. 301. The department of licensing and the health benefit exchange must conduct an annual review of its respective processes for collecting applicant information to identify any office or staff position that exhibits higher than average rates of processing information transferred to the secretary of state, pursuant to this act, that is later determined to be incomplete, incorrect, or fraudulent."

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

On page 10, line 37, after "202" strike "and" and insert ","

On page 10, line 38, after "207" insert ", and 301"

Representative Irwin and Irwin (again) spoke in favor of the adoption of the amendment (946).

Representative Hudgins spoke against the adoption of the amendment (946).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (946) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 50; Absent, 0; Excused, 0.


Amendment (946) was not adopted.

Representative Irwin moved the adoption of amendment (947):

On page 9, after line 28, insert the following:

"Sec. 208. RCW 46.17.040 and 2014 c 59 s 2 are each amended to read as follows:

..."
(1) The department, county auditor or other agent, or subagent appointed by the director shall collect a service fee of:

(a) Twelve dollars for changes in a certificate of title, with or without registration renewal, or for verification of record and preparation of an affidavit of lost title other than at the time of the certificate of title application or transfer; and

(b) Five dollars for a registration renewal, issuing a transit permit, or any other service under this section. When this service fee is collected by a county auditor or other agent appointed by the director, four dollars must be credited to the capital vessel replacement account under RCW 47.60.322, and the remainder must be retained by the county auditors to implement the provisions of this act.

(2) Service fees collected under this section by the department or county auditor or other agent appointed by the director, except as directed in subsection (1)(b) of this section, must be credited to the capital vessel replacement account under RCW 47.60.322.

Amendment (947) was not 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 Hudgins and Clibborn spoke in favor of the passage of the bill.

Representatives McDonald, Irwin, Caldier, Orcutt and Caldier (again) spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 2595.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 2595, and the bill passed the House by the following vote: Yeas, 50; Nays, 48; Absent, 0; Excused, 0.


ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 2595, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2751, by Representatives Stonier, Valdez, Kloba, Macri, Stanton, Appleton, Jinkins, Fitzgibbon, Bergquist, Goodman, Gregerson, Doglio, Pollet and Frame

Concerning the deduction of union dues and fees.

The bill was read the second time.

Representative Manweller moved the adoption of amendment (876):

On page 2, line 6, after "(b)" strike "Upon" and insert "Only upon"
On page 2, line 20, after "dues" insert ", but only upon written authorization of the employee"

On page 3, line 16, after "dues" insert ", but only upon written authorization of the employee"

On page 4, line 4, after "(a)" strike "Upon" and insert "Only upon"

On page 4, line 18, after "dues" insert ", but only upon written authorization of the employee"

On page 5, line 5, after "(b)" strike "Upon" and insert "Only upon"

On page 5, line 19, after "dues" insert ", but only upon written authorization of the employee"

On page 6, line 39 after "(a)" strike "Upon" and insert "Only upon"

On page 7, line 14, after "dues" insert ", but only upon written authorization of the employee"

On page 7, line 23, after "(l)" strike "Upon" and insert "((Upon)) Only upon"

On page 7, line 38, after "dues" insert ", but only upon written authorization of the employee"

Representatives Manweller, Pike, DeBolt and McCaslin spoke in favor of the adoption of the amendment (876).

Representative Sells spoke against the adoption of the amendment (876).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (876) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 50; Absent, 0; Excused, 0.


Voting nay: Representatives Pike and Buys spoke in favor of the adoption of the amendment (877).

Representative Pike moved the adoption of amendment (877):

On page 2, line 6, after "authorization" insert ", filed with the employer,"

On page 3, line 1, after "authorization" insert ", filed with the employer,"

On page 4, line 4, after "authorization" insert ", filed with the employer,"

On page 5, line 5, after "authorization" insert ", filed with the employer,"

On page 6, line 39 after "(a)" strike "Upon" and insert "Only upon"

On page 7, line 23 after "(l)" strike "Upon" and insert "((Upon)) Only upon"

Representative Sells spoke against the adoption of the amendment (877).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (877) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 50; Absent, 0; Excused, 0.


Amendment (877) was not adopted.
Representative Manweller moved the adoption of amendment (875).

On page 2, after line 23, insert the following:

"(d) If the employer is required under a collective bargaining agreement to deduct fees from an employee's pay other than dues required for membership or a fee equivalent to dues, the employer may offset the administrative cost of processing and transmitting payments to the exclusive bargaining representative. The deducted fee, offset by the administrative cost, shall be transmitted to the treasurer of exclusive bargaining unit."

On page 3, after line 19, insert the following:

"(c) If the employer is required under a collective bargaining agreement to deduct fees from an employee's pay other than dues required for membership or a fee equivalent to dues, the employer may offset the administrative cost of processing and transmitting payments to the exclusive bargaining representative. The deducted fee, offset by the administrative cost, shall be transmitted to the treasurer of exclusive bargaining unit."

On page 4, after line 21, insert the following:

"(d) If the employer is required under a collective bargaining agreement to deduct fees from an employee's pay other than dues required for membership or a fee equivalent to dues, the employer may offset the administrative cost of processing and transmitting payments to the exclusive bargaining representative. The deducted fee, offset by the administrative cost, shall be transmitted to the treasurer of exclusive bargaining unit."

On page 5, after line 22, insert the following:

"(d) If the employer is required under a collective bargaining agreement to deduct fees from an employee's pay other than dues required for membership or a fee equivalent to dues, the employer may offset the administrative cost of processing and transmitting payments to the exclusive bargaining representative. The deducted fee, offset by the administrative cost, shall be transmitted to the treasurer of exclusive bargaining unit."

On page 7, after line 17, insert the following:

"(c) If the employer is required under a collective bargaining agreement to deduct fees from an employee's pay other than dues required for membership or a fee equivalent to dues, the employer may offset the administrative cost of processing and transmitting payments to the exclusive bargaining representative. The deducted fee, offset by the administrative cost, shall be transmitted to the treasurer of exclusive bargaining unit."

On page 8, after line 3, insert the following:

"(c) If the employer is required under a collective bargaining agreement to deduct fees from an employee's pay other than dues required for membership or a fee equivalent to dues, the employer may offset the administrative cost of processing and transmitting payments to the exclusive bargaining representative. The deducted fee, offset by the administrative cost, shall be transmitted to the treasurer of exclusive bargaining unit."

Representative Manweller and Shea spoke in favor of the adoption of the amendment (875).

Representative Sells spoke against the adoption of the amendment (875).

Amendment (875) was not adopted.

Representative Manweller moved the adoption of amendment (874):

On page 8, after line 3, insert the following:

"NEW SECTION. Sec. 7. If the United States supreme court rules that the mandatory payment of union dues or equivalent fees is unconstitutional as applied to public sector employees, this act is void and unenforceable."

Correct the title.

Representative Manweller spoke in favor of the adoption of the amendment (874).

Representative Sells spoke against the adoption of the amendment (874).
Amendment (874) was not adopted.

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

Representative Stonier spoke in favor of the passage of the bill.

Representatives McCabe, Graves, Kraft, Shea and Manweller spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 2751.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2751, and the bill passed the House by the following vote: Yeas, 50; Nays, 48; Absent, 0; Excused, 0.


HOUSE BILL NO. 2751, having received the necessary constitutional majority, was declared passed.

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

THIRD READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1316, by House Committee on Health Care & Wellness (originally sponsored by Representatives Caldier, Cody, Jinkins, Wylie, Bergquist, Harris, Clibborn, Rodne, Griffey and Appleton)

Addressing fair dental insurance practices.

There being no objection, the rules were suspended, and ENGROSSED SUBSTITUTE HOUSE BILL NO. 1316 was returned to second reading for the purpose of amendment.

SECOND READING

Representative Caldier moved the adoption of amendment (667).

On page 3, beginning on line 5, strike all of section 4

Correct the title.

Representatives Caldier and Cody spoke in favor of the adoption of the amendment (667).

Amendment (667) 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 Caldier and Cody 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 Engrossed Substitute House Bill No. 1316.

ROLL CALL

The Clerk called the roll on the final passage of Second Engrossed Substitute House Bill No. 1316, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


SECOND ENGROSSED SUBSTITUTE HOUSE BILL NO. 1316, having received the necessary constitutional majority, was declared passed.

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

HOUSE JOINT MEMORIAL NO. 4011, by Representatives Blake, Chapman, Lovick, Walsh, Kilduff, Tharinger and Muri
Requesting that the United States Coast Guard name a Coast Guard cutter in honor of Petty Officer Matthew E. Schlimme.

The joint memorial was read the third time.

Representatives Blake and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Joint Memorial No. 4011.

ROLL CALL

The Clerk called the roll on the final passage of House Joint Memorial No. 4011, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE JOINT MEMORIAL NO. 4011, having received the necessary constitutional majority, was declared passed.

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

SECOND READING

HOUSE BILL NO. 2516, by Representatives Cody, Harris, Jinkins, Robinson, Tharinger, Caldier and Macri

Updating health benefit exchange statutes.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2516 was substituted for House Bill No. 2516 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2516 was read the second time.

Representative Schmick moved the adoption of amendment (722).

On page 16, after line 24, insert the following:

"NEW SECTION. Sec. 11. A new section is added to chapter 43.131 RCW to read as follows:

The Washington health benefit exchange shall be terminated on January 1, 2023, as provided in section 12 of this act.

NEW SECTION. Sec. 12. 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 January 1, 2024:

(1)RCW 43.71.005 (Finding—Intent) and 2011 c 317 s 1;

(2)RCW 43.71.010 (Definitions) and 2013 2nd sp.s. c 6 s 1, 2012 c 87 s 2, & 2011 c 317 s 2;

(3)RCW 43.71.020 (Washington health benefit exchange) and 2012 c 87 s 3 & 2011 c 317 s 3;

(4)RCW 43.71.030 (Exchange—Powers and duties) and 2015 3rd sp.s. c 33 s 1, 2012 c 87 s 4, & 2011 c 317 s 4;

(5)RCW 43.71.060 (Health benefit exchange account) and 2013 2nd sp.s. c 6 s 2, 2012 c 87 s 5, & 2011 c 317 s 7;

(6)RCW 43.71.065 (Qualified health plans—Certification—Criteria stand-alone dental plans—Direct primary care medical home plans—Appeals) and 2012 c 87 s 8;

(7)RCW 43.71.070 (Rating system—Rating factors) and 2012 c 87 s 9;

(8)RCW 43.71.075 (Navigator not soliciting or negotiating insurance—Health care information—Protection—Disclosure—Notification) and 2014 c 220 s 3 & 2012 c 87 s 25;

(9)RCW 43.71.080 (Assessment to fund exchange—Generally—Stand-alone dental plans—Performance review) and 2016 c 133 s 3 & 2013 2nd sp.s. c 6 s 3;

(10)RCW 43.71.900 (Conflict with federal requirements—2011 c 317) and 2011 c 317 s 9; and

(11)RCW 43.71.901 (Spiritual care services—2012 c 87) and 2012 c 87 s 14."
Representative Schmick spoke in favor of the adoption of the amendment (722).

Representative Cody spoke against the adoption of the amendment (722).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (722) and the amendment was not adopted by the following vote: Yeas, 47; Nays, 51; Absent, 0; Excused, 0.


Amendment (722) was not adopted.

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

Representative Cody spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2516.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2516, and the bill passed the House by the following vote: Yeas, 58; Nays, 39; Absent, 0; Excused, 1.


Voting nay: Representatives Barkis, Buys, Chandler, Condotta, DeBolt, Dent, Dye, Graves, Halter, Hargrove,
Harmsworth, Harris, Hayes, Holy, Irwin, Jenkin, Klippert, Kraft, Kretz, Kristiansen, Manweller, Maycumber, McCabe, McCaslin, McDonald, Muri, Orcutt, Pike, Schmick, Shea, Smith, Stambaugh, Steele, Taylor, Van Werven, Vick, Volz, Walsh and Young.

Excused: Representative MacEwen.

HOUSE BILL NO. 2539, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2669, by Representatives Doglio, Ormsby, Hudgins, Valdez, Fitzgibbon, Jinkins, Goodman, Macri, Ortiz-Self, Stanford, Ryu and Pollet

Adding part-time employees to state civil service.

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 Doglio and Irwin spoke in favor of the passage of the bill.

Representative Manweller spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of House Bill No. 2669.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2669, and the bill passed the House by the following vote: Yeas, 50; Nays, 47; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

HOUSE BILL NO. 2669, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2285, by Representatives Chapman, Tarleton, Lytton, Tharinger, Blake and Appleton

Establishing a reporting process for the department of natural resources regarding certain marbled murrelet habitat information.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2285 was substituted for House Bill No. 2285 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2285 was read the second time.

With the consent of the House, amendments (716), (717), (718), (719) and (723) were withdrawn.

Representative Blake moved the adoption of the striking amendment (786).

0) Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that the 1997 state trust lands habitat conservation plan and the proposed amendment related to the conservation of the marbled murrelet, which provide certainty for beneficiaries of affected state lands and state forestlands, present an important and ongoing issue for the people of the state of Washington. The legislature further finds that complying with the endangered species act is a necessary aspect of managing state trust lands. The lands that are the subject of the 1997 habitat conservation plan are held by the state in trust for the trust beneficiaries, and the proposed amendment to the 1997 state trust lands habitat conservation plan presents an opportunity for the legislature to engage in its role as a fiduciary of those lands.

(2) The legislature intends that the process set forth in this act will serve as a model for future processes in the event that there are any subsequent amendments to the 1997 state trust lands habitat conservation plan beyond those envisioned in this act.

NEW SECTION. Sec. 2. A new section is added to chapter 43.30 RCW under the subchapter heading "powers and duties--general" to read as follows:

(1) By December 1, 2018, and each December 1st until the year after the United States fish and wildlife service issues an incidental take permit on the
state trust land habitat conservation plan for the long-term conservation strategy for the marbled murrelet, the department must provide a report to the legislature, consistent with RCW 43.01.036, as required in this section. No fewer than ninety days before submitting the report to the legislature as described in this section, the department must first submit a draft of the report for review and comment to the chair and ranking member of the committees of the house of representatives and senate with jurisdiction over state trust lands management.

(2) The report required in this section must annually include an economic analysis of potential losses or gains from any proposed marbled murrelet long-term conservation strategy selected by the board of natural resources, forwarded to or approved by the United States fish and wildlife service, and subsequently adopted by the board.

(3) The initial report required under this section must also include recommendations relating to the following, to be updated as appropriate in subsequent reports:

(a) Actions that support maintaining or increasing family-wage timber and related jobs in the affected rural communities, taking into account, as appropriate, the role of other market factors;

(b) Strategies to ensure no net loss of revenues to the trust beneficiaries due to the implementation of additional marbled murrelet conservation measures;

(c) Additional means of financing county services; and

(d) Additional reasonable, incentive-based, nonregulatory conservation measures for the marbled murrelet that also provide economic benefits to rural communities.

NEW SECTION. Sec. 3. A new section is added to chapter 43.30 RCW under the subchapter heading "powers and duties--general" to read as follows:

(1) To assist the department in developing and providing the report to the legislature required in section 2 of this act, the commissioner must appoint a marbled murrelet advisory committee.

(2) The marbled murrelet advisory committee may include one or more representatives from the following categories:

(a) State trust lands beneficiaries;

(b) Impacted state forestlands beneficiaries, including counties;

(c) Junior taxing districts;

(d) Environmental organizations;

(e) Local governments or an association representing local governments;

(f) Milling interests or an association representing milling interests;

(g) Private forest landowners or a statewide association representing private forest landowners; and

(h) Local public interest groups.

(3) The advisory committee required under this section may consult with relevant state and federal agencies and tribes.

NEW SECTION. Sec. 4. (1) Sections 2 and 3 of this act expire at the end of the calendar year following the issuance by the United States fish and wildlife service of an incidental take permit on the long-term conservation strategy for the marbled murrelet under the state trust lands habitat conservation plan and subsequent adoption by the board of natural resources.

(2) The department of natural resources must notify the chief clerk of the house of representatives, the secretary of the senate, and the office of the code reviser when the conditional expiration date of sections 1 and 2 of this act is satisfied.

Correct the title.

Representative Walsh moved the adoption of amendment (793) to the striking amendment (786):

0)

On page 2, after line 21 of the amendment, insert the following:

"(4) The report required under this section must include an analysis of the additional loss of acres available for harvest, and loss of revenue, for each trust beneficiary, compared to:

(a) The number of acres dedicated to long-term forest cover under the 1997
state trust lands habitat conservation plan; and

(b) Alternative B as outlined in the draft environmental impact statement for the marbled murrelet long-term conservation strategy dated December 2016."

Representatives Walsh, DeBolt, Irwin, Shea, Griffey, Orcutt, DeBolt (again), Taylor, Stokesbary, Buys and Vick spoke in favor of the adoption of the amendment (793) to the striking amendment (786).

Representatives Chapman, Chapman (again) and Tharinger spoke against the adoption of the amendment (793) to the striking amendment (786).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (793) to the striking amendment (786) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 49; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

Amendment (793) was not adopted.

There being no objection, House Rule 13 (C) was suspended allowing the House to work past 10:00 p.m.

Representative Walsh moved the adoption of amendment (794) to the striking amendment (786):

On page 3, line 2 of the amendment, after "(3)" insert "The advisory committee must include at least one legislative member from each of the minority and majority caucuses of the house of representatives and the senate whose districts have lands that are included in the 1997 habitat conservation plan or any proposed amendments thereto.

(4)"

Representatives Walsh, Stokesbary, Irwin, Orcutt, Buys, Harrmsworth, Smith, Shea and Wilcox spoke in favor of the adoption of the amendment (794) to the striking amendment (786).

Representative Chapman spoke against the adoption of the amendment (794) to the striking amendment (786).

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of the amendment (794) to the striking amendment (786) and the amendment was not adopted by the following vote: Yeas, 48; Nays, 49; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

Amendment (794) was not adopted.

The striking amendment (786) 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 Chapman, Walsh, Blake, Orcutt, Wilcox and Klippert spoke in favor of the passage of the bill.

Representatives DeBolt, Taylor, Irwin and Kristiansen spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2285.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2285, and the bill
passed the House by the following vote: Yeas, 54; Nays, 43; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2285, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2658, by Representatives McBride, Kagi, Peterson, Fitzgibbon, Doglio, Gregerson, Appleton, Jinkins, Ortiz-Self, Macri, Ryu, Pollet, Kloba, Goodman, Frame and Stanford

Concerning the use of perfluorinated chemicals in food packaging.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2658 was substituted for House Bill No. 2658 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2658 was read the second time.

Representative Irwin moved the adoption of amendment (728).

On page 1, beginning on line 16, after "firm," strike "association, partnership, government entity" and insert "partnership"

Representatives Irwin and Fitzgibbon spoke in favor of the adoption of the amendment (728).

Amendment (728) was adopted.

Representative Taylor moved the adoption of amendment (760):

Beginning on page 2, line 17, after "(1)" strike all material through "component." on page 4, line 2 and insert "To determine whether safer alternatives to PFAS chemicals exist, the department of ecology must conduct an alternatives assessment as part of the PFAS chemical action plan that:

(a) Evaluates less toxic chemicals and nonchemical alternatives to replace the use of a chemical in a specific food packaging application;

(b) Follows the guidelines for alternatives assessments issued by the interstate chemicals clearinghouse; and

(c) Includes, at a minimum, an evaluation of chemical hazards, exposure, performance, cost, and availability.

(2) A safer alternative determination under subsection (1) of this section must be supported by feedback from an external peer review of the department's alternatives assessment.

(3) By January 1, 2020, the department of ecology must publish its findings in the Washington State Register on whether safer alternatives to PFAS chemicals in specific applications of food packaging are available and submit a report with the findings and the feedback from the peer review of the department's alternatives assessment to the appropriate committees of the legislature.

(4) The department of ecology should bring forward agency request legislation suggesting a ban when they have identified multiple, readily available, economical, safer alternatives to PFAS chemicals in a specific application of food packaging."

Correct the title.

Representatives Taylor and Maycumber spoke in favor of the adoption of the amendment (760).

Representative Fitzgibbon spoke against the adoption of the amendment (760).

Amendment (760) was not adopted.

Representative McBride moved the adoption of amendment (813):
On page 2, line 22, after "that" strike "a safer alternative is" and insert "safer alternatives are".

On page 2, line 26, after "assessment" insert "as part of the PFAS chemical action plan".

On page 2, beginning on line 34, after "whether" strike "a safer alternative" and insert "safer alternatives".

On page 2, line 36, after "packaging" strike "is" and insert "are".

On page 2, line 38, after "legislature." insert "In order to determine that safer alternatives are available, the safer alternative determination is supported by feedback from an external peer review of the department's alternatives assessment."

Representatives McBride and Taylor spoke in favor of the adoption of the amendment (813).

Amendment (813) was adopted.

Representative Irwin moved the adoption of amendment (765): Representatives Irwin and Fitzgibbon spoke in favor of the adoption of the amendment (765).

Amendment (765) was withdrawn.

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 McBride spoke in favor of the passage of the bill.

Representative Taylor spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2658.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2658, and the bill passed the House by the following vote: Yeas, 56; Nays, 41; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2658, having received the necessary constitutional majority, was declared passed.

STATEMENT FOR THE JOURNAL

I intended to vote YEA on Engrossed Substitute House Bill No. 2658.

Representative Hayes, 10 District

SECOND READING

HOUSE BILL NO. 2785, by Representatives Dent, Senn, McCaslin, Kagi, Goodman, Klippert, Lovick, Eslick, Griffey, Caldier, Reeves, Hargrove, Valdez, Frame and Steele
Providing the list of foster parent rights and responsibilities to prospective and current foster parents.

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 Dent, Kagi and Graves spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2785.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2785, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

SUBSTITUTE HOUSE BILL NO. 2785, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2627, by Representatives Springer and Stokesbary

Concerning authorizations of proposals for emergency medical care and service levies.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2627 was substituted for House Bill No. 2627 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2627 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 Springer and Stokesbary spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 2627.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 2627, and the bill passed the House by the following vote: Yeas, 63; Nays, 3; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

SUBSTITUTE HOUSE BILL NO. 2627, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1851, by Representatives Dolan, Harris, Hudgins, MacEwen, Kilduff, Haler, Bergquist, Fitzgibbon, Doglio, Pollet, Ormsby and Stanford

Protecting taxpayers by providing for accountability and transparency in government contracting. Revised for 2nd Substitute: Concerning accountability and transparency in government contracting.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1851 was substituted for House Bill No. 1851 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1851 was read the second time.

Representative Manweller moved the adoption of amendment (923).
On page 1, line 19, after "or" insert ", except for institutions of higher education,"

On page 2, beginning on line 4, after "the" strike all material through "education" on line 5 and insert "agency or department"

On page 3, line 9, after "An" strike all material through "education" and insert "agency or department"

On page 3, at the beginning of line 22, strike all material through "education" and insert "agency or department"

On page 3, line 27, after "The" strike all material through "education" and insert "agency or department"

On page 3, beginning on line 31, after "the" strike all material through "education" on line 32 and insert "agency or department"

On page 4, beginning on line 1, after "the" strike all material through "education" on line 2 and insert "agency or department"

On page 4, beginning on line 11, after "the" strike all material through "education" on line 12 and insert "agency or department"

On page 4, at the beginning of line 18, strike all material through "education" and insert "agency or department"

On page 4, beginning on line 28, after "the" strike all material through "education" on line 29 and insert "agency or department"

On page 6, line 16, after "39.28.180." strike "The" and insert "For all state agencies, except for institutions of higher education, the"

On page 6, beginning on line 29, after "that" strike all material through "education" on line 30 and insert "agencies and departments"

On page 7, line 9, after "and" insert ", except as pertaining to institutions of higher education."

On page 7, line 14, after "transportation" insert "or institutions of higher education. The processes set forth in subsection (8) of this section do not apply to contracts awarded for the purposes of or by institutions of higher education"

On page 9, line 17, after "or" insert ", except for institutions of higher education,"

Representative Manweller spoke in favor of the adoption of the amendment (923).

Representative Dolan spoke against the adoption of the amendment (923).

Amendment (923) was not adopted.

Representative Irwin moved the adoption of amendment (819):

On page 4, line 40, after "legislature" insert ", including contracts for fire suppression awarded by the department of natural resources under RCW 76.04.181,"

Representatives Irwin and Dolan spoke in favor of the adoption of the amendment (819).

Amendment (819) was adopted.

Representative Kraft moved the adoption of amendment (795):

On page 7, after line 11, insert the following:

"(e) A service that has been "customarily and historically provided" means a service that has been performed for three years or longer."

Representative Kraft spoke in favor of the adoption of the amendment (795).

Representative Dolan spoke against the adoption of the amendment (795).

Amendment (795) was not adopted.

Representative Irwin moved the adoption of amendment (761):

On page 7, line 14, after "transportation" insert ", or to contracts with an estimated cost of contract performance of twenty thousand dollars or less"

Representatives Irwin and Dolan spoke in favor of the adoption of the amendment (761).

Amendment (761) was adopted.
Representative Manweller moved the adoption of amendment (924):

0) On page 9, after line 19, insert the following:

"NEW SECTION. Sec. 5. This act expires July 1, 2023."

Correct the title.

Representatives Manweller and Stokesbary spoke in favor of the adoption of the amendment (924).

Representative Dolan spoke against the adoption of the amendment (924).

Amendment (924) was not adopted.

Representative Manweller moved the adoption of amendment (925):

On page 9, after line 19, insert the following:

"NEW SECTION. Sec. 5. A new section is added to chapter 43.131 RCW to read as follows:

The joint legislative audit and review committee shall conduct a program and fiscal review of the changes made by chapter . . ., Laws of 2018 (this act). This program and fiscal review shall be completed and a preliminary report prepared during the 2022 calendar year. These reports shall be prepared in the manner set forth in RCW 44.28.071 and 44.28.075. Upon completion of its preliminary report, the joint legislative audit and review committee shall transmit copies of the report to the office of financial management and any affected entities. The final report shall include the response, if any, of the affected entities and the office of financial management in the same manner as set forth in RCW 44.28.088, except the affected entities and the office of financial management shall have sixty days to respond to the report. The joint legislative audit and review committee shall transmit the final report to the legislature, to the state entities affected, to the governor, and to the state library.

NEW SECTION. Sec. 6. 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 July 1, 2023:

(1) 2018 c . . . s 1 (section 1 of this act);
(2) 2018 c . . . s 2 (section 2 of this act); and
(3) 2018 c . . . s 4 (section 4 of this act)."

Correct the title.

Representative Manweller spoke in favor of the adoption of the amendment (925).

Representative Dolan spoke against the adoption of the amendment (925).

Amendment (925) was not adopted.

Representative Dolan moved the adoption of amendment (985):

On page 9, after line 19, insert the following:

"NEW SECTION. Sec. 5. A new section is added to chapter 44.28 to read as follows:

The joint legislative audit and review committee shall conduct a program and fiscal review of the changes made by chapter . . ., Laws of 2018 (this act). This program and fiscal review shall be completed and a preliminary report prepared during the 2022 calendar year. These reports shall be prepared in the manner set forth in RCW 44.28.071 and 44.28.075. Upon completion of its preliminary report, the joint legislative audit and review committee shall transmit copies of the report to the office of financial management and any affected entities. The final report shall include the response, if any, of the affected entities and the office of financial management in the same manner as set forth in RCW 44.28.088, except the affected entities and the office of financial management shall have sixty days to respond to the report. The joint legislative audit and review committee shall transmit the final report to the legislature, to the state entities affected, to the governor, and to the state library."

Correct the title.
Representatives Dolan and McDonald spoke in favor of the adoption of the amendment (985).

Amendment (985) was adopted.

Representative Kraft moved the adoption of the striking amendment (1005):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. It is the intent of the legislature to increase transparency and accountability of public contracts by requiring better evaluation of contract performance. Such evaluation should include an assessment of whether decisions to "contract out" government services to the private sector are achieving their stated objectives. In addition, it is the intent of the legislature to ensure that public contractors given access to state resources are held to ethical standards consistent with public values.

Sec. 2. RCW 41.06.142 and 2011 1st sp.s. c 43 s 408 are each amended to read as follows:

(1) Any department, agency, or institution of higher education may purchase services, including services that have been customarily and historically provided by employees in the classified service under this chapter or by employees included in the Washington management service as defined in RCW 41.06.022 and 41.06.500, by contracting with individuals, nonprofit organizations, businesses, employee business units, or other entities including other state agencies if the following criteria are met:

(a) A comprehensive impact assessment is completed by the agency, department, or institution of higher education to assist it in determining whether the decision to contract out is beneficial. The comprehensive impact assessment must include at a minimum the following analysis:

(i) An estimate of the cost of performance of the service by employees, including the fully allocated costs of the service, the cost of the employees' salaries and benefits, space, equipment, materials, and other costs necessary to perform the function. The estimate shall include the state's indirect overhead costs that relate to delivering the services over the period of the proposed contract;

(ii) An estimate of the cost of performance of the services if contracted out, including the cost of allocating sufficient employee staff time and resources to monitor the contract or project plan and ensure its proper performance by the contractor or agency, department or institution of higher education; and

(iii) A statement of the performance objectives to be achieved by contracting with the private sector, a nonprofit entity, or a state agency, or by an agency, department, or institution of higher education performing the service itself.

(b) The invitation for bid or request for proposal contains measurable standards for the performance of the contract;

((c) Employees ((in the classified service)) whose positions or work would be displaced by the contract are provided an opportunity to offer alternatives to purchasing services by contract and, if these alternatives are not accepted, compete for the contract under competitive contracting procedures in subsection ((b))[(4)] of this section;

((c) The contract with an entity other than an employee business unit includes a provision requiring the entity to consider employment of state employees who may be displaced by the contract));

(d) The department, agency, or institution of higher education has established a contract monitoring process to measure contract performance, costs, service delivery quality, and other contract standards, and to cancel contracts that do not meet those standards; and

(e) The department, agency, or institution of higher education has determined that the contract results in savings or efficiency improvements. The contracting agency, department, or institution of higher education must consider the consequences and potential mitigation of improper or failed performance by the contractor.

(2) An agency, department, or institution of higher education that, after conducting a comprehensive impact assessment, decides to continue to
provide a service must develop a project plan that at minimum:

(a) Includes terms under subsection (5) of this section;

(b) Adheres to uniform policies and procedures under subsection (9), where applicable;

(c) Includes itemization of performance standards, information on the estimated cost of performance, and length of time that the agency is expected to provide the service; and

(d) A description of the project or service provided.

(3) (a) An agency, department, or institution of higher education must prepare a written record of the basis of the decision to contract out, or the decision to provide for themselves, a service, which must include the comprehensive impact assessment required under subsection (1)(a) of this section, an itemization of performance standards contained in the project plan under subsection (2) of this section, an itemization of performance standards contained in the contract pursuant to subsection (1)(b) of this section, and, if the agency, department, or institution of higher education decides to perform the service, a quantifiable analysis demonstrating the agency's, department's, or institution of higher education's ability to meet or exceed the performance standards required of contracts pursuant to subsection (3)(b) of this section based on the current services provided by the agency, department, or institution of higher education and include the length of time the agency, department, or institution of higher education has been providing the service if they are currently providing the service.

(b) Upon entering an agreement to contract out for a service that has been provided by employees, or upon an agency's, department's or institution of higher education's decision to continue to provide a service, the agency, department, or institution of higher education must provide the written record of the basis of the agency's decision to the department of enterprise services and the office of financial management. The department of enterprise services must post the reports on its website.

(c) The agency, department, or institution of higher education must maintain the written record in the agency's files in accordance with the record retention schedule under RCW 40.14.060.

(4) Every five years or upon completion of the contract or the service under a project plan, whichever comes first, the agency, department, or institution of higher education must prepare and file with the department of enterprise services a report, which must include at a minimum the following information:

(a) Documentation of the performance on the contract or project plan as measured by the itemized performance standards;

(b) Itemization of any contract or project extensions or change orders made by the contractor or agency that resulted in a change in the dollar value or cost of the contract; and

(c) A report of any remedial actions that were taken to enforce compliance with the contract or agency project plan, together with an estimate of the cost incurred by the agency, department, or institution of higher education in enforcing such compliance.

(5) In addition to any other terms required by law, the terms of any agreement to contract out a service that has been provided by public employees for three or more years from the time of implementation by the employee or employees must include the following:

(a) A cancellation clause allowing the state agency or governing authority to cancel a contract or project if the contractor or agency fails to meet quality standards or budget specifications;

(b) Terms ensuring periodic review of performance of the contract every twelve months or more frequently;

(c) Terms requiring the contractor or agency to compensate the agency or appropriate state budget for employees' hours expended in achieving full performance of a contract that has failed inspection, that the contractor or agency has failed to complete on schedule, or that has not been completed by the contractor or agency in a manner that is consistent with quality standards;

(d) A term requiring the contractor or agency to make available to the agency or governing authority the following information at the start of the
contract's term and updated each fiscal year:

(i) The name and license number, if applicable, of the contractor and all subcontractors;

(ii) A list of individuals or entities performing or providing the services under the contract, reflected as full-time equivalent positions, including the hourly wage rate for each position, and the status of the individual as an employee, subcontractor, independent contractor, or consultant, or, if the agency decides to provide the services, all members of the project and management team along with their title reflected as full-time equivalent positions, including the hourly or yearly wage rate for each position and the status of the individual as an employee, subcontractor, independent contractor, or consultant; and

(iii) A waiver of confidentiality of, and agreement to provide to the agency upon request, basic financial information related to the contract, other than financial, commercial, or proprietary information specifically exempted from disclosure to the public under RCW 42.56.270.

(e) The contract with an entity other than an employee business unit includes a provision requiring the entity to consider employment of state employees who may be displaced by the contract.

(6) Any provision contrary to or in conflict with this section in any collective bargaining agreement in effect on July 1, 2005, is not effective beyond the expiration date of the agreement.

((44)) (7) Contracting for services that is expressly mandated by the legislature including contracts for fire suppression awarded by the department of natural resources under RCW 76.04.181, or was authorized by law prior to July 1, 2005, including contracts and agreements entered into with public entities, shall not be subject to the processes set forth in subsections (1)((6)) through (5), (8), and ((45)) (10) of this section.

((44)) (8) Competitive contracting shall be implemented as follows:

(a) At least ninety days prior to the date the contracting agency requests bids from private entities for a contract for services provided by ((classified)) employees, the contracting agency shall notify the ((classified)) employees whose positions or work would be displaced by the contract. The employees shall have sixty days from the date of notification to offer alternatives to purchasing services by contract, and the agency, department, or institution of higher education shall consider the alternatives before requesting bids.

(b) If the employees decide to compete for the contract, they shall notify the contracting agency, department, or institution of higher education of their decision. Employees must form one or more employee business units for the purpose of submitting a bid or bids to perform the services.

(c) The department of enterprise services, with the advice and assistance of the office of financial management, shall develop and make available to employee business units training in the bidding process and general bid preparation.

(d) The director of enterprise services, with the advice and assistance of the office of financial management, shall, by rule, establish procedures to ensure that bids are submitted and evaluated in a fair and objective manner and that there exists a competitive market for the service. Such rules shall include, but not be limited to: (i) Prohibitions against participation in the bid evaluation process by employees who prepared the business unit's bid or who perform any of the services to be contracted; (ii) provisions to ensure no bidder receives an advantage over other bidders and that bid requirements are applied equitably to all parties; and (iii) procedures that require the contracting agency, department, or institution of higher education to receive complaints regarding the bidding process and to consider them before awarding the contract. Appeal of an agency's, department's, or institution of higher education's actions under this subsection is an adjudicative proceeding and subject to the applicable provisions of chapter 34.05 RCW, the administrative procedure act, with the final decision to be rendered by an administrative law judge assigned under chapter 34.12 RCW.

(e) An employee business unit's bid must include the fully allocated costs of the service, including the cost of the employees' salaries and benefits, space, equipment, materials, and other costs.
necessary to perform the function. An employee business unit's cost shall not include the state's indirect overhead costs unless those costs can be attributed directly to the function in question and would not exist if that function were not performed in state service.

(f) A department, agency, or institution of higher education may contract with the department of enterprise services to conduct the bidding process.

((45L)) (9) (a) The department of enterprise services must maintain uniform policies and procedures for the effective and efficient management of contracts by all state agencies, pursuant to RCW 39.26.180. The department of enterprise services must also include in the policy and procedures maintained:

(i) In the precontract procedures for selecting potential contractors based on qualifications and ability to perform, procedures to ensure compliance with chapter 39.19 RCW, providing for participation of minority and women-owned businesses;

(ii) In model contract terms to ensure contract performance and compliance with state and federal standards, terms to facilitate recovery of the costs of employee staff time that must be expended to bring a contract into substantial compliance;

(iii) In the procedures and criteria for terminating contracts, procedures and criteria for terminating performance-based contracts that are not achieving performance standards; and

(iv) A requirement that agencies, departments, and institutions of higher education monitor performance-based contracts on at least a quarterly basis to ensure that all aspects of the contract are being properly performed and that performance standards are being achieved.

(b) The uniform policies and procedures maintained under RCW 39.26.180 and in subsection (a) of this subsection that apply to contracts also apply to agency project plans where applicable, when agencies decide to perform a service rather than contract out for the service.

(10) As used in this section:

(a) "Employee business unit" means a group of employees who perform services to be contracted under this section and who submit a bid for the performance of those services under subsection ((45L)) (8) of this section.

(b) "Indirect overhead costs" means the pro rata share of existing agency administrative salaries and benefits, and rent, equipment costs, utilities, and materials associated with those administrative functions.

(c) "Competitive contracting" means the process by which classified employees of a department, agency, or institution of higher education compete with businesses, individuals, nonprofit organizations, or other entities for contracts authorized by subsection (1) of this section.

((45L)) (d) "Employee" means state employees in the classified service under this chapter and state employees included in the Washington management service under RCW 41.06.022 and 41.06.500, unless otherwise specified.

(e) A service that has been "customarily and historically provided" means a service that has been performed for three years or longer.

((11)) The processes set forth in subsections (1)(a), (2), (3), (4) and (5)(a) through (d)(iii) of this section do not apply to contracts awarded for the purposes of or by the department of transportation or to contracts with an estimated cost of contract performance of twenty thousand dollars or less.

((12)) The processes set forth in subsections (1)(r), through (4), (8), and ((45L)) (10) of this section do not apply to:

(a) *RCW 74.13.031((45L)) (6); and

(b) The acquisition of printing services by a state agency((45L) and

(c) Contracting for services or activities by the department of enterprise services under RCW 43.19.008 and the department may continue to contract for such services and activities after June 30, 2018).

((45L)) (13) The processes set forth in subsections (1)(r) through (4), (8), and ((45L)) (10) of this section do not apply to the consolidated technology services agency when contracting for services or activities as follows:
(a) Contracting for services and activities that are necessary to establish, operate, or manage the state data center, including architecture, design, engineering, installation, and operation of the facility that are approved by the technology services board created in (RCW 43.41A.070) RCW 43.105.285.

(b) Contracting for services and activities recommended by the chief information officer through a business plan and approved by the technology services board created in (RCW 43.41A.070) RCW 43.105.285.

Sec. 3. RCW 39.26.200 and 2017 3rd sp.s. c 1 s 996 are each amended to read as follows:

(1) (a) The director shall provide notice to the contractor of the director's intent to either fine or debar with the specific reason for either the fine or debarment. The department must establish the debarment and fining processes by rule.

(b) After reasonable notice to the contractor and reasonable opportunity for that contractor to be heard, the director has the authority to debar a contractor for cause from consideration for award of contracts. The debarment must be for a period of not more than three years.

(2) The director may either fine or debar a contractor based on a finding of one or more of the following causes:

(a) Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;

(b) Conviction or a final determination in a civil action under state or federal antitrust statutes arising out of the submission of bids or proposals;

(c) Conviction under state or federal false claims act, 31 U.S.C. Sec. 3729 et seq., or the state medicaid fraud false claims act, chapter 74.66 RCW, or any other offense indicating a lack of business integrity or business honesty that currently, seriously, and directly affects responsibility as a state contractor;

(d) ((Two or more violations within the previous five years of the federal labor relations act as determined by the national labor relations board or court of competent jurisdiction;)

(e) Violation of contract provisions, as set forth in this subsection, of a character that is regarded by the director to be so serious as to justify debarment action:

(i) Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract;

(ii) A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts, however the failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor may not be considered to be a basis for debarment;

(f) Violation of ethical standards set forth in RCW 39.26.020;

(g) Any other cause the director determines to be so serious and compelling as to affect responsibility as a state contractor, including debarment by another governmental entity for any cause listed in regulations; and

(h) During the 2017-2019 fiscal biennium, the failure to comply with a provision in a state master contract or other agreement with a state agency that requires equality among its workers by ensuring similarly employed individuals are compensated as equals.

(3) The director must issue a written decision to debar. The decision must:

(a) State the reasons for the action taken; and

(b) Inform the debarred contractor of the contractor's rights to judicial or administrative review.

NEW SECTION. Sec. 4. A new section is added to chapter 39.26 RCW to read as follows:

An agency, department, or institution of higher education that intends to contract out, or does contract out, for services customarily and historically provided by employees in the classified service defined in RCW 41.06.020 or
employees included in the Washington management service under RCW 41.06.022 and 41.06.500 must follow procedures and meet criteria established under RCW 41.06.142.

NEW SECTION. Sec. 5. This act may be known and cited as the "taxpayer protection act."

Correct the title.

Representatives Kraft and Orcutt spoke in favor of the adoption of the striking amendment (1005).

Representative Dolan spoke against the adoption of the striking amendment (1005).

Amendment (1005) was not 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 Dolan spoke in favor of the passage of the bill.

Representatives Kraft and Manweller spoke against the passage of the bill.

POINT OF PERSONAL PRIVILEGE

Representative Manweller: Thank you Mr. Speaker. I apologize for any offence my comments may have caused and for keeping you all here later tonight.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1851.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1851, and the bill passed the House by the following vote: Yeas, 52; Nays, 45; Absent, 0; Excused, 1.


Excused: Representative MacEwen.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1851, having received the necessary constitutional majority, was declared passed.

RECONSIDERATION

There being no objection, the House immediately reconsidered the vote by which ENGROSSED SUBSTITUTE HOUSE BILL NO. 2658 passed the House.

THIRD READING

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2658, by House Committee on Environment (originally sponsored by Representatives McBride, Kagi, Peterson, Fitzgibbon, Doglio, Gregerson, Appleton, Jinkins, Ortiz-Self, Macri, Ryu, Pollet, Kloba, Goodman, Frame and Stanford)

Concerning the use of perfluorinated chemicals in food packaging.

There being no objection, the rules were suspended, and ENGROSSED SUBSTITUTE HOUSE BILL NO. 2658 was returned to second reading for the purpose of amendment.

SECOND READING

With the consent of the House, amendment (765) was adopted.

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

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2658.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2658, and the bill passed the House by the following vote: Yeas, 56; Nays, 41; Absent, 0; Excused, 1.


Excused: Representative MacEwen.
Johnson, Klippert, Kraft, Kretz, Kristiansen, Maycumber, McCabe, McCaslin, McDonald, Nealey, Orcutt, Pike, Rodne, Schmick, Shea, Stambaugh, Steele, Stokesbary, Taylor, Van Werven, Vick, Volz, Walsh and Young.

Excused: Representative MacEwen.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2658, having received the necessary constitutional majority, was declared passed.

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

MOTION

There being no objection, the Committee on Rules was relieved of the following bills and the bills were placed on the second reading calendar:

HOUSE BILL NO. 2693
HOUSE BILL NO. 1656
HOUSE BILL NO. 2787
HOUSE BILL NO. 2829
HOUSE BILL NO. 2809
HOUSE BILL NO. 2263
HOUSE BILL NO. 1063
HOUSE BILL NO. 2006
HOUSE BILL NO. 1679
HOUSE BILL NO. 2681
HOUSE BILL NO. 2313
HOUSE BILL NO. 1740
HOUSE BILL NO. 1833
HOUSE BILL NO. 2445
HOUSE BILL NO. 2610
HOUSE BILL NO. 2817
HOUSE BILL NO. 2652
HOUSE BILL NO. 2777
HOUSE BILL NO. 2227
HOUSE BILL NO. 2334
HOUSE BILL NO. 2336
HOUSE BILL NO. 2358
HOUSE BILL NO. 2609
HOUSE BILL NO. 2931
HOUSE BILL NO. 2925
HOUSE BILL NO. 1562

There being no objection, the House adjourned until 9:00 a.m., February 13, 2018, the 37th Day of the Regular Session.

FRANK CHOPP, Speaker

BERNARD DEAN, Chief Clerk
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**Bill Number**

**Other Action**

HOUSE OF REPRESENTATIVES

- Personal Privilege, Representative Manweller .......... 61
- HOUSE OF REPRESENTATIVES (Representative Lovick presiding)
  - Statement for the Journal  Representative Hayes ....... 52
- HOUSE OF REPRESENTATIVES (Representative Orwall presiding)
  - Statement for the Journal  Representative Kagi ....... 37