FIFTY THIRD DAY, MARCH 7, 2019

SIXTY SIXTH LEGISLATURE - REGULAR SESSION

FIFTY THIRD 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 Lillian Jordan and Mason Shankland. The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Pastor Luke Hodges, North Star Church, Tumwater, 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 sixth order of business.

SECOND READING

HOUSE BILL NO. 1216, by Representatives Dolan, Harris, Lovick, Doglio, Stonier, Irwin, Senn, Appleton, Kirby, Vick, Bergquist, Riccelli, Fey, Orwell, Griffey, Gregerson, Peterson, Stanford, Frame, Kilduff, Ortiz-Self, Ryu, Valdez, Lekanoff, Sells, Slatter, Thai, Wylie, Callan, Jinkins, Macri, Goodman and Santos

Concerning nonfirearm measures to increase school safety and student well-being.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1216 was substituted for House Bill No. 1216 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1216 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 Dolan, Steele, Lovick, Senn, Harris, Pollet, Reeves, Stonier, Ortiz-Self, Thai, Santos and Graham spoke in favor of the passage of the bill.

Representatives Klippert, Walsh, Young and Kraft spoke against the passage of the bill.

MOTION

On motion of Representative Riccelli, Representative Appleton was excused

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1216.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1216, and the bill passed the House by the following vote: Yeas, 83; Nays, 14; Absent, 0; Excused, 1.


Voting nay: Representatives Boehnke, Chandler, Dent, Dufault, Griffey, Klippert, Kraft, MacEwen, McCaslin, Shea, Smith, Sutherland, Walsh and Young.

Excused: Representative Appleton.

SECOND SUBSTITUTE HOUSE BILL NO. 1216, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1324, by Representatives Chapman, Maycumber, Springer, Chandler, Blake, Stokesbary, Steele, Reeves, Pettigrew, Dolan, Volz, Barkis, Eslick, Lekanoff, Tharinger, Hoff, Jinkins, Kilduff and Leavitt

Creating the Washington rural development and opportunity zone act.

The bill was read the second time.

There being no objection, Third Substitute House Bill No. 1324 was substituted for House Bill No. 1324 and the third substitute bill was placed on the second reading calendar.
THIRD SUBSTITUTE HOUSE BILL NO. 1324 was read the second time.

Representative Springer moved the adoption of the striking amendment (235):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that while many parts of the state are thriving economically, some rural and distressed communities have struggled to keep pace. These communities represent significant opportunity for economic growth and innovation. However, businesses and entrepreneurs often find it difficult to obtain the capital they need to expand and grow in these areas. Therefore, it is the intent of the legislature to incentivize private investments and job creation in rural and distressed communities while ensuring no loss of revenue to the state.

NEW SECTION. Sec. 2. TAX PREFERENCE PERFORMANCE STATEMENT. (1) This section is the tax preference performance statement for the tax preferences created in sections 7 and 13, chapter . . . , Laws of 2019 (sections 7 and 13 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference.

(2) The legislature categorizes these tax preferences as ones intended to create or retain jobs, as indicated in RCW 82.32.808(2)(c).

(3) It is the legislature's specific public policy objective to create and retain jobs in rural development and distressed opportunity zone areas of Washington. It is the legislature's intent to provide a vested tax credit that may be used to offset certain business and occupation taxes under chapter 82.04 RCW, and insurance premium taxes under chapter 48.14 RCW owed by Washington taxpayers, in order to induce such taxpayers to invest in rural development and distressed opportunity zone funds whose management teams:

(a) Have experience investing in companies located in rural development and distressed opportunity zone areas;

(b) Have been vetted by the United States small business administration or the United States department of agriculture; and

(c) Have submitted a business plan that:

(i) Projects the number of jobs that will be created or retained as a result of such investment fund's investments in rural companies and includes the assumptions used to determine the projection; and

(ii) Includes a revenue impact assessment that demonstrates that the business plan will result in a positive economic impact on Washington state over a ten-year period that exceeds the cumulative amount of tax credits that would be issued to the investment fund's investors, thereby:

(A) Enabling the capitalization of rural development and distressed opportunity zone funds;

(B) Incentivizing and requiring rural development and distressed opportunity zone funds to invest in companies located in rural areas of Washington; and

(C) Enabling the creation or retention of jobs in rural development and distressed opportunity zone areas of Washington.

(4) If the joint legislative audit and review committee finds that the aggregate number of jobs created or retained matches or exceeds the aggregate number of jobs set forth in the business plans of approved rural development and distressed opportunity zone funds, in the six years following enactment of these tax preferences, then the legislature intends to continue the tax preferences created in sections 7 and 13, chapter . . . , Laws of 2019 (sections 7 and 13 of this act).

(5) 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:

(a) The annual report that a taxpayer claiming the tax credit in section 13 of this act must file with the department of revenue under RCW 82.32.534; and

(b) The annual reports required under section 11 of this act.

NEW SECTION. Sec. 3. SHORT TITLE. This chapter may be known and cited as the Washington rural development and distressed opportunity zone act.

NEW SECTION. Sec. 4. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affiliate" means an entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another entity. For the purposes of this chapter, "control" means the possession, directly or indirectly, of more than fifty percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

(2) "Average monthly employment" means the cumulative number of full-time employees on the last day of each month of a calendar year divided by twelve.

(3) "Closing date" means the date on which a rural development and distressed opportunity zone fund has collected all of the amounts specified by section 5 of this act.

(4) "Credit-eligible capital contribution" means an investment of cash by a person who, as of the closing date, is subject to (a) business and occupation taxes under chapter 82.04 RCW and/or (b) insurance premium taxes under chapter 48.14 RCW in a rural development and distressed opportunity zone fund that equals the amount specified on a tax credit certificate issued by the department under section..."
The investment must purchase an equity interest in the rural development and distressed opportunity zone fund or purchase, at par value or premium, a debt instrument that has a maturity date at least five years from the closing date and a repayment schedule that is no faster than level principal amortization over five years.

(5) "Department" means the department of commerce.

(6) "Full-time employee" means an employment position that requires at least thirty-five hours of work each week.

(7) "Growth investment" means any capital or equity investment in a targeted small business or any loan to a targeted small business with a stated maturity at least one year after the date of issuance.

(8) "Investment authority" means the amount stated on the written approval issued under section 5(8) of this act certifying the rural development and distressed opportunity zone fund. At least sixty percent of a rural development and distressed opportunity zone fund's investment authority must be comprised of credit-eligible capital contributions.

(9) "Investor" also means "taxpayer."

(10) "Jobs created" means the number of full-time employees in the state at the targeted small business at the time of the initial growth investment subtracted from the monthly average of those employment positions for that year.

(11) "Jobs retained" means the number of full-time employees in the state at a targeted small business that existed before the initial growth investment in the targeted small business, for which the rural development and distressed opportunity zone fund has obtained a certification from an executive officer of the targeted small businesses that such jobs would have been lost or moved out of state if the growth investment had not been made.

(12) "NAICS code" means the North American industry classification system code used by federal statistical agencies and the state in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the business economy.

(13) "Principal business operations" means a business located at the place or places where at least sixty percent of its employees work or where employees that are paid at least sixty percent of its payroll work. An out-of-state business that has agreed to relocate employees or an in-state business that has agreed to hire full-time employees using the proceeds of a growth investment to establish its principal business operations in a qualified area in the state is deemed to have its principal business operations in this new location provided it satisfies this definition within one hundred eighty days after receiving the growth investment, unless the department agrees to a later date.

(14) "Qualified area" means:

(a) A county with a population density of less than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles as determined by the office of financial management and published each year by the department for the period July 1st to June 30th; or

(b) A qualified opportunity zone as defined by Title 26 U.S.C. Sec. 1400Z-1 of the federal internal revenue code of 1986, as amended, located in a distressed area as defined in RCW 43.169.020.

(15) "Rural development and distressed opportunity zone fund" or "fund" means an entity certified by the department under section 5 of this act.

(16) "Targeted small business" means a business that, at the time of the initial investment in the company by a rural development and distressed opportunity zone fund:

(a) Has less than two hundred fifty employees and not more than ten million dollars in net income for the preceding calendar year;

(b) Has its principal business operations in one or more qualified areas in the state; and

(c) Is engaged in industries related to manufacturing, plant sciences, services, distribution, warehousing, farming, forestry, biotechnology, fisheries, biofuels, technology, or the marketing and sale of technology, business that supplies inputs for agriculture and food industry, agricultural primary production, feed industry, branded or other food production, or if the business is not engaged in such industries, the department makes a determination that the investment will be highly beneficial to the economic growth of the state.

NEW SECTION. Sec. 5. TAX CREDIT APPLICATION, APPROVAL, AND ALLOCATIONS. (1) Beginning January 1, 2020, the department must accept applications for approval as a rural development and distressed opportunity zone fund. The application must include all of the following:

(a) The total investment authority sought by the applicant under the business plan;

(b) A copy of the applicant's or an affiliate of the applicant's license as a rural business investment company under Title 7 U.S.C. Sec. 2009cc, as amended, as of January 1, 2019, or as a small business investment company under Title 15 U.S.C. Sec. 681, as amended, as of January 1, 2019;

(i) Evidence that, as of the date the application is submitted, the applicant or affiliates of the applicant have invested at least one hundred fifty million dollars in nonpublic companies located in areas within or without the state of Washington that would be qualified areas if in Washington; and

(ii) At least one principal in a rural investment company or small business investment company is, or has been for at least four years, an officer or employee of the applicant or an affiliate of the applicant on the date of the submission.

(c) An estimate of the number of jobs created and jobs retained in this state as a result of the applicant's growth investments and the assumptions used to determine the estimate;
(d) A business plan that includes a revenue impact assessment projecting state and local tax revenue to be generated by the applicant's proposed growth investments prepared by a firm with experience in providing economic analysis and revenue projection for government entities using a dynamic economic forecasting model that analyzes the applicant's business plan over the ten years following the date the application is submitted to the department;

(e) A signed affidavit from each investor stating the amount of credit-eligible capital contributions each taxpayer commits to make and against which of the two tax types the investor plans to apply the credit:

(i) Business and occupation taxes under chapter 82.04 RCW; or

(ii) Insurance premium taxes under chapter 48.14 RCW; and

(f) A nonrefundable application fee of five thousand dollars.

(2) The department must make an application determination within thirty days of receipt in the order in which the applications are received. The department must deem applications received on the same day to have been received simultaneously.

(3) The department may not approve more than one hundred million dollars in investment authority and not more than sixty million dollars in credit-eligible capital contributions under this section. If requests for investment authority exceed this limitation, the department must proportionally reduce the investment authority and the credit-eligible capital contributions for each approved application as necessary to avoid exceeding the limit.

(4) The department may not approve more than thirty-five million dollars in investment authority and not more than twenty-one million dollars in credit-eligible capital contributions for an applicant under this section. If fewer than three applicants have been approved as a rural development and distressed opportunity zone fund under this section by November 1, 2020, a rural development and distressed opportunity zone fund may apply for additional investment authority and capital contributions in excess of the limit under this subsection.

(5) The department must deny an application submitted under this section if any of the following are true:

(a) The application is incomplete or the application fee is not paid in full;

(b) The applicant does not satisfy all the criteria described in subsection (1)(b) of this section;

(c) The revenue impact assessment submitted under subsection (1)(d) of this section does not demonstrate that the applicant's business plan will result in a positive economic impact on aggregate state and local government revenue over a ten-year period that exceeds the cumulative amount of tax credits that would be issued to the applicant's investors under section 7 or 13 of this act if the application were approved;

(d) The credit-eligible capital contributions described in affidavits submitted under subsection (1)(e) of this section do not equal at least sixty percent of the total amount of investment authority sought under the applicant's business plan; or

(e) The department has already approved the maximum amount of investment authority and credit-eligible capital contributions allowed under subsections (3) and (4) of this section.

(6) If the department denies an application, the applicant may provide additional information to the department to complete, clarify, or cure defects in the application identified by the department, except for failure to make the submission required by subsection (1)(e) of this section, within fifteen days of the notice of denial for reconsideration and determination. The department must review and reconsider such applications within thirty days before any pending application submitted after the original submission date of the reconsidered application.

(7) The department may not deny a rural development and distressed opportunity zone fund application or reduce the requested investment authority for reasons other than those described in subsections (3) through (5) of this section.

(8) Upon approval of an application, the department must provide a written approval to the applicant as a rural development and distressed opportunity zone fund specifying the amount of the applicant's investment authority.

(9) After receiving the approval issued under subsection (8) of this section, a rural development and distressed opportunity zone fund must:

(a) Within sixty days:

(i) Collect the credit-eligible capital contributions from each investor; and

(ii) Collect one or more investments of cash that, when added to the contributions collected under (a)(i) of this subsection, equal the rural development and distressed opportunity zone fund's investment authority. An amount equal to at least ten percent of the rural development and distressed opportunity zone fund's investment authority must be equity investments by affiliates of the rural development and distressed opportunity zone fund, including employees, officers, and directors of affiliates.

(b) Within sixty-five days, send to the department documentation sufficient to prove that the amounts described in (a)(i) and (ii) of this subsection have been collected.

(10) Upon receiving documentation from the rural development and distressed opportunity zone fund that it is fully funded, the department must issue a tax credit certificate to each investor whose affidavit was included in the application specifying the amount of the investor's credit-eligible capital contribution. The department must provide a copy of the tax credit certificates to the office of the insurance commissioner for investors earning tax credits.
eligible for use against insurance premium taxes, including the retaliatory provision, imposed under chapter 48.14 RCW, and to the department of revenue for investors earning tax credits eligible for use against business and occupation taxes imposed under chapter 82.04 RCW. The tax credit certificate must include:

(a) The credit-eligible capital contribution amount;
(b) The name of the rural development and distressed opportunity zone fund;
(c) The unified business identifier number of the investor; and
(d) The closing date of the rural development and distressed opportunity zone fund.

(11) Tax credits may be transferred or allocated to an affiliate of the taxpayer. Taxpayers must notify the department if they wish to transfer or allocate a credit to an affiliate. The department will verify the transfer is to an affiliate and then issue an amended tax credit certificate to the taxpayer and a new tax credit certificate to the affiliate. The department must provide the department of revenue and the office of the insurance commissioner with a copy of the amended tax credit certificate of the transferor and the new tax credit certificate of the transferee.

(12) If the rural development and distressed opportunity zone fund fails to fully comply with subsection (9) of this section, the rural development and distressed opportunity zone fund's approval lapses and the corresponding investment authority and credit-eligible capital contributions under this subsection do not count toward the limits on the program size prescribed by subsection (3) of this section. The department must first award lapsed investment authority pro rata to each rural development and distressed opportunity zone fund that was awarded less than the requested investment authority under subsection (3) of this section, which a rural development and distressed opportunity zone fund may allocate to its investors in its discretion. Any remaining investment authority may be awarded by the department to new applicants.

(13)(a) A rural development and distressed opportunity zone fund shall, once it has received approval from the department under subsection (8) of this section, reimburse the department for the rural development and distressed opportunity zone fund's proportionate share of the costs that the department incurs to administer the rural development and distressed opportunity zone program, from the point in time that the rural development and distressed opportunity zone fund receives approval from the department under subsection (8) of this section to the point in time that the department approves the exit of the rural development and distressed opportunity zone fund under section 8 of this act.

(b) The department shall quarterly calculate a rural development and distressed opportunity zone fund's proportionate share of the department's costs to administer the rural development and distressed opportunity zone program according to the following formula: One-half of the department's overall costs to administer the rural development and distressed opportunity zone program for the preceding quarter, multiplied by a rural development and distressed opportunity zone fund's investment authority as specified by the department pursuant to section 5(4) of this act, divided by the overall investment authority for rural development and distressed opportunity zone program as specified by the department pursuant to section 5(3) of this act.

(c) On a quarterly basis, the department shall submit an invoice to each rural development and distressed opportunity zone fund that describes the department's costs to administer the rural development and distressed opportunity zone program for the preceding quarter, as well as the rural development and distressed opportunity zone fund's proportionate share of the department's costs to administer the rural development and distressed opportunity zone program for the preceding quarter.

(d) Within thirty days of receipt of the invoice described in (c) of this subsection, a rural development and distressed opportunity zone fund shall remit to the department full payment for the rural development and distressed opportunity zone fund's proportionate share of the department's costs to administer the rural development and distressed opportunity zone program.

(14) Application fees submitted to the department under subsection (1)(f) of this section and administrative cost reimbursements submitted to the department under subsection (13) of this section must be deposited in the rural development and distressed opportunity zone account created in section 6 of this act.

NEW SECTION. Sec. 6. RURAL DEVELOPMENT AND DISTRESSED OPPORTUNITY ZONE ACCOUNT. The rural development and distressed opportunity zone account is created in the state treasury. All receipts from application fees and administrative cost reimbursements submitted to the department under section 5 of this act must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used by the department only for administering this chapter.

NEW SECTION. Sec. 7. A new section is added to chapter 48.14 RCW to read as follows:

INSURANCE PREMIUM TAX CREDIT ESTABLISHED.

(1) A tax credit is authorized against the tax, including the retaliatory provision, otherwise due under this chapter for persons that made a credit-eligible capital contribution to a rural development and distressed opportunity zone fund and were issued a tax credit certificate under section 5 of this act.

(2) A taxpayer earns a credit on the closing date noted on the taxpayer's tax credit certificate issued under section 5 of this act. The credit is equal to the amount of the taxpayer's credit-eligible capital contribution to the rural
development and distressed opportunity zone fund as specified on the tax credit certificate.

(3) The taxpayer may claim up to one-third of the credit authorized under this section for each of the calendar years that includes the fourth through sixth anniversaries of the closing date noted on the tax credit certificate, exclusive of amounts carried forward from prior years.

(4) The amount claimed for a tax reporting period may not exceed the amount of tax otherwise due under this chapter for that reporting period. Unused credits may be carried forward until used, even if claimed after the expiration date of this section. No refunds may be granted for credits under this section.

(5) All persons claiming a credit under this section must file electronically with the office of the insurance commissioner all returns, other forms, or any other information as may be required by the office of the insurance commissioner.

(6) A taxpayer claiming a credit under this section must submit a copy of the tax credit certificate issued to the taxpayer under section 5 of this act to the office of the insurance commissioner when filing the first return in which the taxpayer will claim a credit against taxes due under this chapter.

(7) The credit may not be transferred or allocated to any other entity other than an affiliate subject to the insurance premium, including retaliatory provisions, imposed under this chapter. The department must provide the office of the insurance commissioner with a copy of the amended tax credit certificate of the transferor and the new tax credit certificate of the transferee. The office of the insurance commissioner must disallow tax credits claimed by any transferee other than an affiliate of the transferor.

(8) The department must notify the office of the insurance commissioner if a tax credit certificate was revoked as provided in section 8 of this act. Upon such notice, the office of the insurance commissioner must:

(a) Provide written notice to the taxpayer or any affiliate to which the credit was transferred that the credit was revoked by the department;

(b) Include in the notice the amount of all credits previously claimed and that such amount be paid in full within thirty days of the date of the notice. If the taxpayer or the affiliate fails to pay the amount in full by the due date in the notice or any extension granted by the office of the insurance commissioner, the office of the insurance commissioner must impose penalties and interest consistent with RCW 48.14.060; and

(c) Deny any further use of the tax credit certificate by the taxpayer or any affiliate to which the credit was transferred.

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

(a) "Affiliate" means an entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another entity. For the purposes of this section, "control" means the possession, directly or indirectly, of more than fifty percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

(b) "Credit-eligible capital contribution" means an investment of cash by a person subject to (a) business and occupation taxes under chapter 82.04 RCW and/or (b) insurance premium taxes under chapter 48.14 RCW in a rural development and distressed opportunity zone fund that equals the amount specified on a tax credit certificate issued by the department of commerce under section 5 of this act. The investment must purchase an equity interest in the rural development and distressed opportunity zone fund or purchase, at par value or premium, a debt instrument that has a maturity date at least five years from the closing date and a repayment schedule that is no faster than level principal amortization over five years.

(c) "Rural development and distressed opportunity zone fund" means an entity certified by the department of commerce under section 5 of this act.

(10) This section expires July 1, 2025.

NEW SECTION. Sec. 8. Revocation of Tax Credit Certificates and Exit. (1) The department must revoke a tax credit certificate issued under section 5 of this act if any of the following occur with respect to a rural development and distressed opportunity zone fund before it exits the program in accordance with subsection (4) of this section:

(a) The rural development and distressed opportunity zone fund in which the credit-eligible capital contribution was made does not invest seventy-five percent of its investment authority in growth investments in this state within two years of the closing date and one hundred percent of its investment authority in growth investments in this state within three years of the closing date;

(b) The rural development and distressed opportunity zone fund, after satisfying (a) of this subsection, fails to maintain growth investments equal to one hundred percent of its investment authority until the sixth anniversary of the closing date. For the purposes of this subsection, an investment is "maintained" even if the investment is sold or repaid so long as the rural development and distressed opportunity zone fund reinvests an amount equal to the capital returned or recovered by the rural development and distressed opportunity zone fund from the original investment, exclusive of any profits realized, in other growth investments in this state within twelve months of the receipt of such capital. Amounts received periodically by a rural development and distressed opportunity zone fund must be treated as continually invested in growth investments if the amounts are reinvested in one or more growth investments by the end of the following calendar year;

(c) The rural development and distressed opportunity zone fund, before exiting the program in accordance with subsection (4) of this section, makes a
distribution or payment that results in the rural development and distressed opportunity zone fund having less than one hundred percent of its investment authority invested in growth investments in this state or available for investment in growth investments and held in cash and other marketable securities;

(d) The rural development and distressed opportunity zone fund invests more than the greater of five million dollars or twenty percent of its investment authority in the same targeted small business, including amounts invested in affiliates of the targeted small business, exclusive of repaid or redeemed growth investments that are reinvested in the same small targeted small business; or

(e) The rural development and distressed opportunity zone fund makes a growth investment in a targeted small business that directly or indirectly through an affiliate owns, has the right to acquire an ownership interest, makes a loan to, or makes an investment in the rural development and distressed opportunity zone fund, an affiliate of the rural development and distressed opportunity zone fund, or an investor in the rural development and distressed opportunity zone fund. This subsection does not apply to investments in publicly traded securities by a targeted small business or an owner or affiliate of such business. For purposes of this subsection, a rural development and distressed opportunity zone fund will not be considered an affiliate of a targeted small business solely as a result of its growth investment.

(2) Before revoking one or more tax credit certificates under this subsection, the department must notify the rural development and distressed opportunity zone fund of the reasons for the pending revocation. The rural development and distressed opportunity zone fund has ninety days from the date the notice was dispatched to correct any violation outlined in the notice to the satisfaction of the department and avoid revocation of the tax credit certificate.

(3) If tax credit certificates are revoked under this section, the associated investment authority and credit-eligible capital contributions do not count toward the limit on total investment authority and credit-eligible capital contributions described by section 5(3) of this act. The department must first award reverted authority pro rata to each rural development and distressed opportunity zone fund that was awarded less than the requested investment authority under section 5(3) of this act. The department may award any remaining investment authority to new applicants.

(4) On or after the sixth anniversary of the closing date, a rural development and distressed opportunity zone fund may apply to the department to exit the program and no longer be subject to regulation under this chapter. The department must respond to the application within thirty days of receipt. In evaluating the application, the fact that no tax credit certificates have been revoked and that the rural development and distressed opportunity zone fund has not received a notice of revocation that has not been cured under subsection (2) of this section is sufficient evidence to prove that the rural development and distressed opportunity zone fund is eligible for exit. The department may not unreasonably deny an application submitted under this subsection. If the application is denied, the notice must include the reasons for the determination. The department must notify the office of the insurance commissioner and the department of revenue when a rural development and distressed opportunity zone fund exits the program.

(5) The department may not revoke a tax credit certificate after a rural development and distressed opportunity zone fund exits the program.

NEW SECTION. Sec. 9. (1) Before approving the exit of a rural development and distressed opportunity zone fund from the program, the department must evaluate the number of jobs created and jobs retained by the rural development and distressed opportunity zone fund, and the aggregate state and local government revenues generated by growth investments made pursuant to, or related to, the rural development and distressed opportunity zone fund's participation in the program, and determine whether the rural development and distressed opportunity zone fund must repay to the state any portion of the credit as described in subsections (2) and (3) of this section.

(2) For the number of jobs created and jobs retained by the rural development and distressed opportunity zone fund:

(a) If the number of jobs created and jobs retained as a result of the rural development and distressed opportunity zone fund's investments is less than sixty percent of the amount filed as part of the rural development and distressed opportunity zone fund's application, the rural development and distressed opportunity zone fund must repay to the state sixty percent of the amount of the tax credit certificates issued to investors in the fund;

(b) If the number of jobs created and jobs retained as a result of the rural development and distressed opportunity zone fund's investments is less than eighty percent but more than sixty percent of the amount filed as part of the rural development and distressed opportunity zone fund's application, the rural development and distressed opportunity zone fund must repay to the state thirty percent of the amount of the tax credit certificates issued to investors in the rural development and distressed opportunity zone fund;

(c) In measuring jobs created and jobs retained as a result of the rural development and distressed opportunity zone fund's growth investments, the department must prorate the number of jobs set forth in the rural development and distressed opportunity zone fund's business plan based upon the amount of investment authority requested in the rural development and distressed opportunity zone fund's application.

(3) For the aggregate state and local government revenues generated by growth investments made pursuant to, or related to, the rural development and distressed opportunity zone fund's participation in the program, if the amount of aggregate state and local government revenue generated by growth investments made pursuant to, or related to, the rural development and distressed opportunity zone fund's investments is less than eighty percent of the amount filed as part of the rural development and distressed opportunity zone fund's application, the rural development and distressed opportunity zone fund must repay to the state thirty percent of the amount of the tax credit certificates issued to investors in the fund; and
zone fund's participation in the program over the course of the rural development and distressed opportunity zone fund's participation in the program is less than the cumulative amount of tax credits that were issued to the rural development and distressed opportunity zone fund's investors under section 7 or 13 of this act, the rural development and distressed opportunity zone fund must notify the rural development and distressed opportunity zone fund of its determination. If the department fails to notify the rural development and distressed opportunity zone fund by the fifteenth business day of its determination, the business in which the rural development and distressed opportunity zone fund proposes to invest must be considered a targeted small business.

NEW SECTION. Sec. 10. REQUEST FOR DETERMINATION. A rural development and distressed opportunity zone fund, before making a growth investment, may request from the department a written opinion as to whether the business in which it proposed to invest is a targeted small business. The department, not later than the fifteenth business day after the date of receipt of the request, must notify the rural development and distressed opportunity zone fund of its determination. If the department fails to notify the rural development and distressed opportunity zone fund by the fifteenth business day of its determination, the business in which the rural development and distressed opportunity zone fund proposes to invest must be considered a targeted small business.

NEW SECTION. Sec. 11. REPORTING OBLIGATIONS. (1) Each rural development and distressed opportunity zone fund must submit a report to the department on or before the fifth business day after each anniversary of the closing date until the rural development and distressed opportunity zone fund has exited the program in accordance with section 8(4) of this act. The report must provide documentation as to the rural development and distressed opportunity zone fund's growth investments and include:

(a) A bank statement evidencing each growth investment;
(b) The name and location of principal operations;
(c) Industry NAICS code of each business receiving a growth investment, including either the determination letter set forth in section 10 of this act or evidence that the business qualified as a targeted small business at the time the investment was made;
(d) The number of jobs created or retained as a result of the rural development and distressed opportunity zone fund's growth investments as of the last day of the preceding calendar year and the assumptions used to determine the number of employment positions;
(e) The average annual salary of the positions described in (c) of this subsection; and
(f) Any other information required by the department.

(2) The department must consult with staff of the joint legislative audit and review committee when developing the specific format and questions included in the accountability report to ensure it provides the information needed for performance evaluations under chapter 43.136 RCW.

(3) By January 1, 2020, and annually thereafter, the department must submit a report to the economic development committees of the legislature that includes the following:

(a) The names of the applicants approved and the amount and type of credit allocated to investors in the rural development and distressed opportunity zone fund;
(b) The criteria used to select the applicants approved under section 5 of this act; and
(c) A summary of the information reported by each rural development and distressed opportunity zone fund under subsection (1) of this section.

474 JOURNAL OF THE HOUSE
NEW SECTION. Sec. 12. The department must adopt rules necessary to implement this chapter.

NEW SECTION. Sec. 13. A new section is added to chapter 82.04 RCW to read as follows:

BUSINESS AND OCCUPATION TAX CREDIT ESTABLISHED.

(1) A tax credit is authorized against tax otherwise due under this chapter for persons that made a credit-eligible capital contribution to a rural development and distressed opportunity zone fund and were issued a tax credit certificate under section 5 of this act.

(2) A taxpayer earns a credit on the closing date noted on the taxpayer's tax credit certificate issued under section 5 of this act. The credit is equal to the amount of the taxpayer's credit-eligible capital contribution to the rural development and distressed opportunity zone fund as specified on the tax credit certificate.

(3) The taxpayer may claim up to one-third of the credit authorized under this section for each of the calendar years that includes the fourth through sixth anniversaries of the closing date noted on the tax credit certificate, exclusive of amounts carried forward from prior years.

(4) The amount claimed for a tax reporting period may not exceed the amount of tax otherwise due under this chapter for that reporting period. Unused credits may be carried forward until used, even if claimed after the expiration date of this section. No refunds may be granted for credits under this section.

(5) All persons claiming a credit under this section must file electronically with the department all returns, other forms, or any other information as may be required by the department.

(6) A taxpayer claiming a credit under this section must submit a copy of the tax credit certificate issued to the taxpayer under section 5 of this act to the department when filing the first return in which the taxpayer will claim a credit against taxes due under this chapter.

(7) The credit may not be transferred or allocated to any other entity other than an affiliate subject to the business and occupation taxes imposed under this chapter. The department of commerce must provide the department with a copy of the amended tax credit certificate of the transferee and the new tax credit certificate of the transferee. The department must disallow tax credits claimed by any transferee other than an affiliate of the transferee.

(8) The department of commerce must notify the department if a tax credit certificate was revoked as provided in section 8 of this act. Upon such notice, the department of commerce must:

(a) Provide written notice to the taxpayer or any affiliate to which the credit was transferred that the credit was revoked by the department;

(b) Include in the notice the amount of all credits previously claimed and that such amount be paid in full within thirty days of the date of the notice. If the taxpayer or the affiliate fails to pay the amount in full by the due date in the notice or any extension granted by the department, the department must impose penalties and interest as provided under chapter 82.32 RCW; and

(c) Deny any further use of the tax credit certificate by the taxpayer or any affiliate to which the credit was transferred.

(9) A taxpayer claiming the tax credit against taxes due under this chapter must file a complete annual report with the department under RCW 82.32.534.

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

(a) "Affiliate" means an entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another entity. For the purposes of this section, "control" means the possession, directly or indirectly, of more than fifty percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

(b) "Credit-eligible capital contribution" means an investment of cash by a person subject to (a) business and occupation taxes under chapter 82.04 RCW and/or (b) insurance premium taxes under chapter 48.14 RCW in a rural development and distressed opportunity zone fund that equals the amount specified on a tax credit certificate issued by the department of commerce under section 5 of this act. The investment must purchase an equity interest in the rural development and distressed opportunity zone fund or purchase, at par value or premium, a debt instrument that has a maturity date at least five years from the closing date and a repayment schedule that is no faster than level principal amortization over five years.

(c) "Rural development and distressed opportunity zone fund" means an entity certified by the department of commerce under section 5 of this act.

(11) This section expires July 1, 2025.

NEW SECTION. Sec. 14. (1) The legislature finds that the Washington state forest practices habitat conservation plan was approved in 2006 by the United States fish and wildlife service and the national oceanic and atmospheric administration's marine fisheries service. The legislature further finds that the conservation plan protects habitat of aquatic species, supports economically viable and healthy forests, and creates regulatory stability for landowners. The legislature further finds that funding for the adaptive management program and participation grants are required to implement the forest and fish agreement and meet the goals of the conservation plan. The legislature further finds that the surcharge on the timber products industry, tribal leaders, and stakeholders as a way to provide funding and safeguard the future of the conservation plan. The legislature further finds that the
forestry industry assumed significant financial obligation with the enactment of this conservation plan, in exchange for operational certainty under the endangered species act. Therefore, the legislature concludes that the timber products business and occupation tax rate and the surcharge should continue until the expiration date of the forest and fish agreement, in 2056.

(2) The legislature finds that Washington has one of the strongest economies in the country. However, the local economies in some rural counties continue to struggle. The legislature further finds that the economic prosperity of our state must be shared by all of our communities. The legislature further finds that forest product sectors provide family-wage jobs in economically struggling areas of the state. The legislature further finds that in 2017 the Washington forest products industry, directly and indirectly, employed one hundred one thousand workers, earning 5.5 billion dollars in wages. Therefore, the legislature concludes that the forest products industries support our local rural economies and contribute towards the effort to lower unemployment rates across the state, especially in rural areas.

Sec. 15. RCW 82.04.260 and 2018 c 164 s 3 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of manufacturing:

(a) Wheat into flour, barley into pearl barley, soybeans into soybean oil, canola into canola oil, canola meal, or canola by-products, or sunflower seeds into sunflower oil; as to such persons the amount of tax with respect to such business is equal to the value of the flour, pearl barley, oil, canola meal, or canola by-product manufactured, multiplied by the rate of 0.138 percent;

(b) Beginning July 1, 2025, seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing by that person; or selling manufactured seafood products that remain in a raw, raw frozen, or raw salted state at the completion of the manufacturing, to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the flour, pearl barley, oil, canola meal, or canola by-product manufactured, multiplied by the rate of 0.138 percent;

(c)(i) Except as provided otherwise in (c)(iii) of this subsection, from July 1, 2025, until January 1, 2036, dairy products; or selling dairy products that the person has manufactured to purchasers who either transport in the ordinary course of business the goods out of state or purchasers who use such dairy products as an ingredient or component in the manufacturing of a dairy product; as to such persons the tax imposed is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state or sold to a manufacturer for use as an ingredient or component in the manufacturing of a dairy product.

(ii) For purposes of this subsection (1)(c), "dairy products" means:

(A) Products, not including any marijuana-infused product, that as of September 20, 2001, are identified in 21 C.F.R., chapter 1, parts 131, 133, and 135, including by-products from the manufacturing of the dairy products, such as whey and casein; and

(B) Products comprised of not less than seventy percent dairy products that qualify under (c)(ii)(A) of this subsection, measured by weight or volume.

(iii) The preferential tax rate provided to taxpayers under this subsection (1)(c) does not apply to sales of dairy products on or after July 1, 2023, where a dairy product is used by the purchaser as an ingredient or component in the manufacturing in Washington of a dairy product;

(d)(i) Beginning July 1, 2025, fruits or vegetables by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables, or selling at wholesale fruits or vegetables manufactured by the seller by canning, preserving, freezing, processing, or dehydrating fresh fruits or vegetables and sold to purchasers who transport in the ordinary course of business the goods out of this state; as to such persons the amount of tax with respect to such business is equal to the value of the products manufactured or the gross proceeds derived from such sales multiplied by the rate of 0.138 percent. Sellers must keep and preserve records for the period required by RCW 82.32.070 establishing that the goods were transported by the purchaser in the ordinary course of business out of this state.

(ii) For purposes of this subsection (1)(d), "fruits" and "vegetables" do not include marijuana, useable marijuana, or marijuana-infused products; and

(e) Wood biomass fuel; as to such persons the amount of tax with respect to the business is equal to the value of wood biomass fuel manufactured, multiplied by the rate of 0.138 percent. For the purposes of this section, "wood biomass fuel" means a liquid or gaseous fuel that is produced from lignocellulosic feedstocks, including wood, forest, (([lac)), or field residue((,)) and dedicated energy crops, and that does not include wood treated with chemical preservations such as creosote, pentachlorophenol, or copper-chrome-arsenic.

(2) Upon every person engaging within this state in the business of splitting or processing dried peas; as to such persons the amount of tax with respect to such business is equal to the value of the peas split or processed, multiplied by the rate of 0.138 percent.

(3) Upon every nonprofit corporation and nonprofit association engaging within this state in research and development, as to such corporations and associations, the amount of tax with respect to such activities is equal to the...
gross income derived from such activities multiplied by the rate of 0.484 percent.

(4) Upon every person engaging within this state in the business of slaughtering, breaking and/or processing perishable meat products and/or selling the same at wholesale only and not at retail; as to such persons the tax imposed is equal to the gross proceeds derived from such sales multiplied by the rate of 0.138 percent.

(5) Upon every person engaging within this state in the business of acting as a travel agent or tour operator; as to such persons the amount of the tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.275 percent.

(6) Upon every person engaging within this state in business as an international steamer agent, international customs house broker, international freight forwarder, vessel and/or cargo charter broker in foreign commerce, and/or international air cargo agent; as to such persons the amount of the tax with respect to only international activities is equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.

(7) Upon every person engaging within this state in the business of stevedoring and associated activities pertinent to the movement of goods and commodities in waterborne interstate or foreign commerce; as to such persons the amount of tax with respect to such business is equal to the gross proceeds derived from such activities multiplied by the rate of 0.275 percent. Persons subject to taxation under this subsection are exempt from payment of taxes imposed by chapter 82.16 RCW for that portion of their business subject to taxation under this subsection. Stevedoring and associated activities pertinent to the conduct of goods and commodities in waterborne interstate or foreign commerce are defined as all activities of a labor, service or transportation nature whereby cargo may be loaded or unloaded to or from vessels or barges, passing over, onto or under a wharf, pier, or similar structure; cargo may be moved to a warehouse or similar holding or storage yard or area to await further movement in import or export or may move to a consolidation freight station and be stuffed, unstuffed, containerized, separated or otherwise segregated or aggregated for delivery or loaded on any mode of transportation for delivery to its consignee. Specific activities included in this definition are: Wharfage, handling, loading, unloading, moving of cargo to a convenient place of delivery to the consignee or a convenient place for further movement to export mode; documentation services in connection with the receipt, delivery, checking, care, custody and control of cargo required in the transfer of cargo; imported automobile handling prior to delivery to consignee; terminal stevedoring and incidental vessel services, including but not limited to plugging and unplugging refrigerator service to containers, trailers, and other refrigerated cargo receptacles, and securing ship hatch covers.

(8)(a) Upon every person engaging within this state in the business of disposing of low-level waste, as defined in RCW 43.145.010; as to such persons the amount of the tax with respect to such business is equal to the gross income of the business, excluding any fees imposed under chapter 43.200 RCW, multiplied by the rate of 3.3 percent.

(b) If the gross income of the taxpayer is attributable to activities both within and without this state, the gross income attributable to this state must be determined in accordance with the methods of apportionment required under RCW 82.04.460.

(9) Upon every person engaging within this state as an insurance producer or title insurance agent licensed under chapter 48.17 RCW or a surplus line broker licensed under chapter 48.15 RCW; as to such persons, the amount of the tax with respect to such licensed activities is equal to the gross income of such business multiplied by the rate of 0.484 percent.

(10) Upon every person engaging within this state in business as a hospital, as defined in chapter 70.41 RCW, that is operated as a nonprofit corporation or by the state or any of its political subdivisions, as to such persons, the amount of tax with respect to such activities is equal to the gross income of the business multiplied by the rate of 0.75 percent through June 30, 1995, and 1.5 percent thereafter.

(11)(a) Beginning October 1, 2005, upon every person engaging within this state in the business of manufacturing commercial airplanes, or components of such airplanes, or making sales, at retail or wholesale, of commercial airplanes or components of such airplanes, manufactured by the seller, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured and the gross proceeds of sales of the product manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of:

(i) 0.4235 percent from October 1, 2005, through June 30, 2007; and

(ii) 0.2904 percent beginning July 1, 2007.

(b) Beginning July 1, 2008, upon every person who is not eligible to report under the provisions of (a) of this subsection (11) and is engaging within this state in the business of manufacturing tooling specifically designed for use in manufacturing commercial airplanes or components of such airplanes, or making sales, at retail or wholesale, of such tooling manufactured by the seller, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured and the gross proceeds of sales of the product manufactured, or in the case of processors for hire, be equal to the gross income of the business, multiplied by the rate of 0.2904 percent.

(c) For the purposes of this subsection (11), "commercial airplane" and "component" have the same meanings as provided in RCW 82.32.550.

(d) In addition to all other requirements under this title, a person reporting under the tax rate provided in this subsection (11) must file a complete annual tax performance report with the department under RCW 82.32.534.
the state under RCW 82.32.850.

a significant commercial airplane manufacturing program in
the sale of commercial airplanes that are the basis of a siting of
subsection (11)(e)(ii) only applies to the manufacturing or
has been sited outside the state of Washington. This
basis of a siting of a significant commercial airplane
any version or variant of a commercial airplane that is the
a determination that any final assembly or wing assembly of
and after July 1st of the year in which the department makes
2040.

original contract, regardless of the method of payment for
sever the timber within thirty months from the date of the
manner of 8.2904 percent. For purposes of this
amount of the tax with respect to the business is, in
person engaging within this state in the business of
engaging within this state in the business of selling standing
severance.
(c) For purposes of this subsection, the following
definitions apply:
(i) "Biocomposite surface products" means surface
material products containing, by weight or volume, more
than fifty percent recycled paper and that also use
nonpetroleum-based phenolic resin as a bonding agent.
(ii) "Paper and paper products" means products
made of interwoven cellulosic fibers held together largely by
hydrogen bonding. "Paper and paper products" includes
newspapers, office, printing, fine, and pressure-sensitive
papers; paper napkins, towels, and toilet tissue; kraft bag,
construction, and other kraft industrial papers; paperboard,
liquid packaging containers, containerboard, corrugated,
and solid-fiber containers including linerboard and corrugated
medium; and related types of cellulosic products containing
primarily, by weight or volume, cellulosic materials. "Paper
and paper products" does not include books, newspapers,
magazines, periodicals, and other printed publications,
advertising materials, calendars, and similar types of printed
materials.

(iii) "Recycled paper" means paper and paper
products having fifty percent or more of their fiber content
that comes from postconsumer waste. For purposes of this
subsection (12)(e)(iii), "postconsumer waste" means a
finished material that would normally be disposed of as solid
waste, having completed its life cycle as a consumer item.

(iv) "Timber" means forest trees, standing or down,
on privately or publicly owned land. "Timber" does not
include Christmas trees that are cultivated by agricultural
methods or short-rotation hardwoods as defined in RCW
84.33.035.

(v) "Timber products" means:
(A) Logs, wood chips, sawdust, wood waste, and
similar products obtained wholly from the processing of
timber, short-rotation hardwoods as defined in RCW
84.33.035, or both;
(B) Pulp, including market pulp and pulp derived
from recovered paper or paper products; and
(C) Recycled paper, but only when used in the
manufacture of biocomposite surface products.

(vi) "Wood products" means paper and paper
products; dimensional lumber; engineered wood products
such as particleboard, oriented strand board, medium density
fiberboard, and plywood; wood doors; wood windows; and
biocomposite surface products.

(f) Except for small harvesters as defined in RCW
84.33.035, a person reporting under the tax rate provided in
this subsection (12) must file a complete annual tax
performance report with the department under RCW
82.32.534.

(13) Upon every person engaging within this state in
inspecting, testing, labeling, and storing canned salmon
owned by another person, as to such persons, the amount of
tax with respect to such activities is equal to the gross income derived from such activities multiplied by the rate of 0.484 percent.

(14)(a) Upon every person engaging within this state in the business of printing a newspaper, publishing a newspaper, or both, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.35 percent until July 1, 2024, and 0.484 percent thereafter.

(b) A person reporting under the tax rate provided in this subsection (14) must file a complete annual tax performance report with the department under RCW 82.32.534.

Sec. 16. RCW 82.04.261 and 2017 c 323 s 501 are each amended to read as follows:

(1) In addition to the taxes imposed under RCW 82.04.260(12), a surcharge is imposed on those persons who are subject to any of the taxes imposed under RCW 82.04.260(12). Except as otherwise provided in this section, the surcharge is equal to 0.052 percent. The surcharge is added to the rates provided in RCW 82.04.260(12) (a), (b), (c), and (d). ((The surcharge and this section expire July 1, 2024.))

(2) All receipts from the surcharge imposed under this section must be deposited into the forest and fish support account created in RCW 76.09.405.

(3)(a) The surcharge imposed under this section is suspended if:

(i) Receipts from the surcharge total at least eight million dollars during any fiscal biennium; or

(ii) The office of financial management certifies to the department that the federal government has appropriated at least two million dollars for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington for any federal fiscal year.

(b)(i) The suspension of the surcharge under (a)(i) of this subsection (3) takes effect on the first day of the calendar month that is at least thirty days after the end of the month during which the department determines that receipts from the surcharge total at least eight million dollars during the fiscal biennium. The surcharge is imposed again at the beginning of the following fiscal biennium.

(ii) The suspension of the surcharge under (a)(ii) of this subsection (3) takes effect on the later of the first day of October of any federal fiscal year for which the federal government appropriates at least two million dollars for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington, or the first day of a calendar month that is at least thirty days following the date that the office of financial management makes a certification to the department under subsection (5) of this section. The surcharge is imposed again on the first day of the following July.

(4)(a) If, by October 1st of any federal fiscal year, the office of financial management certifies to the department that the federal government has appropriated funds for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington but the amount of the appropriation is less than two million dollars, the department must adjust the surcharge in accordance with this subsection.

(b) The department must adjust the surcharge by an amount that the department estimates will cause the amount of funds deposited into the forest and fish support account for the state fiscal year that begins July 1st and that includes the beginning of the federal fiscal year for which the federal appropriation is made, to be reduced by twice the amount of the federal appropriation for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington.

(c) Any adjustment in the surcharge takes effect at the beginning of a calendar month that is at least thirty days after the date that the office of financial management makes the certification under subsection (5) of this section.

(d) The surcharge is imposed again at the rate provided in subsection (1) of this section on the first day of the following state fiscal year unless the surcharge is suspended under subsection (3) of this section or adjusted for that fiscal year under this subsection.

(e) Adjustments of the amount of the surcharge by the department are final and may not be used to challenge the validity of the surcharge imposed under this section.

(f) The department must provide timely notice to affected taxpayers of the suspension of the surcharge or an adjustment of the surcharge.

(5) The office of financial management must make the certification to the department as to the status of federal appropriations for tribal participation in forest and fish report-related activities.

(6) This section expires July 1, 2036.

NEW SECTION. Sec. 17. The provisions of RCW 82.32.808 do not apply to sections 15 and 16 of this act.

NEW SECTION. Sec. 18. Sections 1 through 6, 8 through 12, and 19 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 19. This chapter expires July 1, 2025.

NEW SECTION. Sec. 20. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2019, in the omnibus appropriations act, this act is null and void.
Representatives Springer and Maycumber spoke in favor of the adoption of the striking amendment.

The striking amendment (235) 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, Hoff, Maycumber, Ybarra, Walsh and Kretz 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 Third Substitute House Bill No. 1324.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Third Substitute House Bill No. 1324, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1324, having received the necessary constitutional majority, was declared passed.

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

MESSAGES FROM THE SENATE

March 6, 2019

MR. SPEAKER:

The Senate has passed:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5438,
ENGROSSED SENATE BILL NO. 5887,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
March 6, 2019

MR. SPEAKER:

The Senate has passed:

SENATE BILL NO. 5022,
SENATE BILL NO. 5119,
SUBSTITUTE SENATE BILL NO. 5324,
SECOND SUBSTITUTE SENATE BILL NO. 5376,
SECOND SUBSTITUTE SENATE BILL NO. 5511,
SENATE BILL NO. 5786,
SUBSTITUTE SENATE BILL NO. 5861,
SUBSTITUTE SENATE BILL NO. 5889,
SECOND SUBSTITUTE SENATE BILL NO. 5947,

and the same are herewith transmitted.

Brad Hendrickson, Secretary
March 6, 2019

MR. SPEAKER:

The Senate has passed:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5120,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5356,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5383,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5485,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

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

SECOND READING

Concerning harassment and discrimination by legislators and legislative branch employees.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2018 was substituted for House Bill No. 2018 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2018 was read the second time.

Representative Mosbrucker moved the adoption of the striking amendment (233):

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 42.52.070 and 1994 c 154 s 107 are each amended to read as follows:

(1) Except as required to perform duties within the scope of employment, no state officer or state employee may use his or her position to secure special privileges or exemptions for himself or herself, or his or her spouse, child, parents, or other persons.

(2) It is a violation of this section for a legislator or legislative branch employee to harass another person. As used in this section:

(a) "Harass" means to engage in physical, verbal, visual, or psychological conduct that:

(i) Has the purpose or effect of interfering with the person's work performance;

(ii) Creates a hostile, intimidating, or offensive work environment; or

(iii) Constitutes sexual harassment.

(b) "Sexual harassment" means unwelcome or unwanted sexual advances, requests for sexual or romantic favors, sexually motivated bullying, or other verbal, visual, physical, or psychological conduct or communication of a sexual or romantic nature, when:

(i) Submission to the conduct or communication is either explicitly or implicitly a term or condition of current or future employment;

(ii) Submission to or rejection of the conduct or communication is used as the basis of an employment decision affecting the person; or

(iii) The conduct or communication unreasonably interferes with the person's job performance or creates a work environment that is hostile, intimidating, or offensive.

(c) Examples of conduct or communication of a sexual or romantic nature include, but are not limited to:

(i) Lewd or suggestive comments, jokes, innuendos, questions, conversations, pictures, or gestures;

(ii) Sexually oriented touching, pinching, or other physical contact;

(iii) Requests for dates or other social encounters that may be inappropriate because of past rejections, power dynamics, or other circumstances;

(iv) Comments about a person's appearance that are inappropriately sexual or suggestive or are made at unacceptable times or with unacceptable frequency; or

(v) Repeated and unwelcome communication, including electronic communication, of a sexual, suggestive, or inappropriately personal nature.

Sec. 2. RCW 42.52.320 and 1994 c 154 s 202 are each amended to read as follows:

(1) The legislative ethics board shall enforce this chapter and rules adopted under it with respect to members and employees of the legislature.

(2) The legislative ethics board shall:

(a) Develop educational materials and training with regard to legislative ethics for legislators and legislative employees;

(b) Issue advisory opinions;

(c) Adopt rules or policies governing the conduct of business by the board, and adopt rules defining working hours for purposes of RCW 42.52.180 and where otherwise authorized under chapter 154, Laws of 1994;

(d) Investigate, hear, and determine complaints by any person or on its own motion;

(e) Impose sanctions including reprimands and monetary penalties;

(f) Recommend suspension or removal to the appropriate legislative entity, or recommend prosecution to the appropriate authority; and

(g) Establish criteria regarding the levels of civil penalties appropriate for different types of violations of this chapter and rules adopted under it.

(3) The board may:

(a) Issue subpoenas for the attendance and testimony of witnesses and the production of documentary evidence relating to any matter under examination by the board or involved in any hearing;

(b) Administer oaths and affirmations;

(c) Examine witnesses; and

(d) Receive evidence.

(4) Subject to RCW 42.52.540, the board has jurisdiction over any alleged violation that occurred before January 1, 1995, and that was within the jurisdiction of any of the boards established under chapter 44.60 RCW. The board's jurisdiction with respect to any such alleged violation shall be based on the statutes and rules in effect at the time of the violation.
(5) The board shall adopt rules to coordinate its investigation of a complaint that alleges a violation of RCW 42.52.070(2), prohibiting harassment and sexual harassment, with any other investigations into whether the same conduct violates the legislative code of conduct or respectful workplace policies.

Correct the title.

Representatives Mosbrucker and Gregerson spoke in favor of the adoption of the amendment.

The Striking amendment (233) 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 Morgan, Mosbrucker, Peterson, Smith and Kilduff 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. 2018.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2018, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


ENGROSSED SUBSTITUTE HOUSE BILL NO. 2018, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1692, by Representatives Jinkins, Caldier, Fitzgibbon, Doglio, Cody, Macri, Gregerson, Riccelli, Kilduff, Bergquist, Dolan, Appleton, Davis, Ryu, Robinson, Morgan, Blake, Stanford, Frame, Ormsby, Tarleton, Tharinger, Fey, Kloba, Valdez, Orwall, Callan, Harris, Kirby, Ortiz-Self, Senn, Goodman, Peterson and Reeves

Protecting information concerning agency employees who have filed a claim of harassment or stalking.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1692 was substituted for House Bill No. 1692 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1692 was read the second time.

Representative Jinkins moved the adoption of the striking amendment (246):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that state agency employees operate in unique work environments in which there is a higher level of transparency surrounding their daily work activities. The legislature finds that we must act to protect the health and safety of state employees, but even more so when employees become the victims of sexual harassment or stalking. The legislature finds that when a state agency employee is the target of sexual harassment or stalking, there is a significant risk to the employee's physical safety and well-being. The legislature finds that workplace safety is of paramount importance and that the state has an interest in protecting against the inappropriate use of public resources to carry out actions of sexual harassment or stalking.

NEW SECTION. Sec. 2. A new section is added to chapter 42.56 RCW to read as follows:

(1) Except by court order issued pursuant to subsection (3) of this section, an agency may not disclose as a response to a public records request made pursuant to this chapter records concerning an agency employee if:

(a) The requestor is a person alleged in the claim to have harassed or stalked the agency employee who is named as the victim in the claim; and

(b) After conducting an investigation, the agency issued discipline resulting from the claim of workplace sexual harassment or stalking to the requestor described under (a) of this subsection.

(2)(a) The agency must immediately notify an agency employee upon any public records request for records concerning that agency employee if the agency conducted an investigation of the claim of workplace sexual harassment or stalking involving the agency employee and the agency issued discipline resulting from the claim.

(b) Upon notice provided in accordance with (a) of this subsection, the agency employee may bring an action in a court of competent jurisdiction to enjoin the agency from disclosing the records. The agency employee shall immediately notify the agency upon filing an action under
this subsection. Except for the five-day notification required under RCW 42.56.520, the time for the employing agency to process a request for records is suspended during the pendency of an action filed under this subsection. Upon notice of an action filed under this subsection, the agency may not disclose such records unless by an order issued in accordance with subsection (3) of this section.

(3)(a) A court of competent jurisdiction, following sufficient notice to the employing agency, may order the release of some or all of the records described in subsections (1) and (2) of this section after finding that, in consideration of the totality of the circumstances, disclosure would not violate the right to privacy under RCW 42.56.050 for the agency employee. An agency that is ordered in accordance with this subsection to disclose records is not liable for penalties, attorneys' fees, or costs under RCW 42.56.550 if the agency has complied with this section.

(b) For the purposes of this section, it is presumed to be highly offensive to a reasonable person under RCW 42.56.050 to disclose, directly or indirectly, records concerning an agency employee who has made a claim of workplace sexual harassment or stalking with the agency, or is named as a victim in the claim, to persons alleged in the claim to have sexually harassed or stalked the agency employee named as the victim and where the agency issued discipline resulting from the claim after conducting an investigation.

(4) Nothing in this section restricts access to records described under subsections (1) and (2) of this section where the agency employee consents in writing to disclosure.

(5) For the purposes of this section:

(a) "Agency" means a state agency, including every state office, department, division, bureau, board, commission, or other state agency.

(b) "Agency employee" means a state agency employee who has made a claim of workplace sexual harassment or stalking with the employing agency, or is named as the victim in the claim.

(c) "Record concerning an agency employee" does not include work product created by the agency employee as part of his or her official duties.

NEW SECTION. Sec. 3. A new section is added to chapter 42.56 RCW to read as follows:

(1) Any person who requests and obtains a record concerning an agency employee, as described in section 2 of this act, is subject to civil liability if he or she uses the record or information in the record to harass, stalk, threaten, or intimidate that agency employee, or provides the record or information in the record to a person who uses it to harass, stalk, threaten, or intimidate that agency employee.

(2) Any person liable under subsection (1) of this section may recover up to one thousand dollars for each record used in violation of this section, as well as costs and reasonable attorneys' fees.

(3) For the purposes of this section:

(a) "Agency" means a state agency, including every state office, department, division, bureau, board, commission, or other state agency.

(b) "Agency employee" means a state agency employee who has made a claim of workplace sexual harassment or stalking with the employing agency, or is named as the victim in the claim.

(c) "Record concerning an agency employee" does not include work product created by the agency employee as part of his or her official duties.

NEW SECTION. Sec. 4. A new section is added to chapter 42.56 RCW to read as follows:

By January 1, 2020, the attorney general, in consultation with state agencies, shall create model policies for the implementation of this act.

NEW SECTION. Sec. 5. A new section is added to chapter 42.56 RCW to read as follows:

A state agency may not disclose lists of the names of agency employees, as defined under section 2 of this act, maintained by the agency in order to administer section 2 of this act.

NEW SECTION. Sec. 6. This act takes effect July 1, 2020."

Correct the title.

Representatives Jinkins and Walsh spoke in favor of the adoption of the striking amendment.

The striking amendment (246) 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 Jinkins and Walsh 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. 1692.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1692, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1692, having received the necessary constitutional majority, was declared passed.

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

INTRODUCTION & FIRST READING

HB 2139 by Representatives Young, Shea, Barkis and McCaslin

AN ACT Relating to creating Remembers license plates; amending RCW 46.18.200 and 46.17.220; reenacting and amending RCW 46.68.425; adding a new section to chapter 46.04 RCW; and providing an effective date.

Referred to Committee on Transportation.

ESSB 5027 by Senate Committee on Law & Justice
(originally sponsored by Frockt, Carlyle, Palumbo, Pedersen, Keiser, Saldaña, Mullet and O'Ban)

AN ACT Relating to creating extreme risk protection orders; and amending RCW 7.94.120, 7.94.010, 7.94.030, 7.94.040, 7.94.060, and 7.94.150.

Referred to Committee on Civil Rights & Judiciary.

SSB 5063 by Senate Committee on Ways & Means
(originally sponsored by Nguyen, Hasegawa, Billig, Carlyle, Cleveland, Conway, Darneille, Frockt, Palumbo, Hunt, Wilson, C., Pedersen, Keiser, Kuderer, Saldaña, Mullet and Takko)

AN ACT Relating to prepped postage for all election ballots; amending RCW 29A.04.420 and 29A.40.091; creating a new section; providing an effective date; and declaring an emergency.

Referred to Committee on Appropriations.

2SSB 5093 by Senate Committee on Transportation
(originally sponsored by Fortunato)

AN ACT Relating to enhancing litter control along state highways; amending RCW 70.93.220; and creating a new section.

Referred to Committee on Environment & Energy.

2SSB 5141 by Senate Committee on Ways & Means
(originally sponsored by Wellman, Kuderer, Nguyen, Hunt, Das, Palumbo, Billig, Lias, Darneille, Frockt, Hasegawa, Wilson and C.)

AN ACT Relating to school resource officer mandatory training and policies; adding a new section to chapter 28A.320 RCW; adding a new section to chapter 28A.300 RCW; and creating a new section.

Referred to Committee on Appropriations.

SSB 5163 by Senate Committee on Law & Justice
(originally sponsored by Hasegawa, Pedersen, Kuderer, Darneille, McCoy, Saldaña, Dhingra, Frockt, Wilson, C., Lias, Palumbo and Nguyen)

AN ACT Relating to actions for wrongful injury or death; amending RCW 4.20.010, 4.20.020, 4.20.046, 4.20.060, and 4.24.010; and creating a new section.

Referred to Committee on Appropriations.

SB 5197 by Senators Hobbs, Zeiger, Wagoner, Short, Bailey, Hunt, Fortunato and Keiser

AN ACT Relating to the Washington national guard postsecondary education grant program; and amending RCW 28B.103.010, 28B.103.020, and 28B.103.030.

Referred to Committee on Appropriations.

SB 5233 by Senators Keiser and Conway

AN ACT Relating to creating an alternative process for sick leave benefits for workers represented by collective bargaining agreements; adding a new section to chapter 49.46 RCW; and creating a new section.

Referred to Committee on Labor & Workplace Standards.

SSB 5297 by Senate Committee on Labor & Commerce
(originally sponsored by Hunt, Conway, Keiser, Dhingra, Saldaña, Kuderer and Pedersen)

AN ACT Relating to extending collective bargaining rights to assistant attorneys general; amending RCW 41.80.005, 41.80.010, 43.10.070, and 43.10.060; adding a new section to chapter 41.80 RCW; and creating a new section.
Referred to Committee on Appropriations.

SB 5337 by Senators Takko and Holy

AN ACT Relating to expanding a sales and use tax exemption for personal property sold between political subdivisions to include sales or uses of personal property as a result of a merger or sales or uses of personal property made under contractual consolidations in which the taxpayer that originally paid the sales or use tax continues to benefit from the personal property; amending RCW 82.08.0278 and 82.12.0274; creating a new section; and providing an expiration date.

Referred to Committee on Finance.

2SSB 5352 by Senate Committee on Ways & Means (originally sponsored by Walsh, Warnick, McCoy, Kuderer, Van De Wege and Hasegawa)

AN ACT Relating to the Walla Walla watershed management pilot program; amending RCW 90.92.010, 90.92.050, and 90.92.060; amending 2009 c 183 § 20 (uncodified); providing an effective date; providing an expiration date; and declaring an emergency.

Referred to Committee on Appropriations.

ESSB 5478 by Senate Committee on Labor & Commerce (originally sponsored by Liias, Keiser, Conway, Hunt, Pedersen, Kuderer and McCoy)

AN ACT Relating to restraints, including noncompetition covenants, on persons engaging in lawful professions, trades, or businesses; adding a new chapter to Title 49 RCW; and providing an effective date.

Referred to Committee on Labor & Workplace Standards.

SSB 5492 by Senate Committee on Law & Justice (originally sponsored by Billig, Padden, Pedersen, Holy and Dhinigra)

AN ACT Relating to sentencing of motor vehicle-related felonies; amending RCW 9.94A.501; reenacting and amending RCW 9.94A.505; adding a new section to chapter 9.94A RCW; prescribing penalties; and providing an expiration date.

Referred to Committee on Appropriations.

SSB 5514 by Senate Committee on Early Learning & K-12 Education (originally sponsored by Padden, Wellman, Zeiger and Frockt)

AN ACT Relating to first responder agency notifications to schools regarding potential threats; and amending RCW 28A.320.125.

Referred to Committee on Public Safety.

SSB 5525 by Senate Committee on Agriculture, Water, Natural Resources & Parks (originally sponsored by Short)

AN ACT Relating to whitetail deer population estimates; and adding a new section to chapter 77.12 RCW.

Referred to Committee on Rural Development, Agriculture, & Natural Resources.

SSB 5710 by Senate Committee on Transportation (originally sponsored by Liias, Salduña, Cleveland, Takko, Billig, King, Nguyen and Dhinigra)

AN ACT Relating to the Cooper Jones active transportation safety council; amending RCW 43.59.155; repealing RCW 43.59.150 and 43.59.160; providing an effective date; and declaring an emergency.

Referred to Committee on Transportation.

SSB 5723 by Senate Committee on Transportation (originally sponsored by Randall, Salduña, Liias, Rolfes, Billig and Nguyen)

AN ACT Relating to increasing safety on roadways for pedestrians, bicyclists, and other roadway users; amending RCW 46.61.110, 46.61.145, 46.61.180, 46.61.185, 46.61.190, 46.61.205, 46.61.250, 46.61.770, 3.62.090, 2.68.040, and 46.63.110; reenacting and amending RCW 43.84.092; creating a new section; prescribing penalties; and providing an effective date.

Referred to Committee on Transportation.

SSB 5763 by Senate Committee on Transportation (originally sponsored by Wagoner, Takko and Honeyford)

AN ACT Relating to collector truck operators; amending RCW 46.25.010 and 46.25.050; and providing an effective date.

Referred to Committee on Transportation.

SB 5817 by Senators Rivers, Cleveland, Walsh, Randall, Schoesler and Short

AN ACT Relating to senior students in accredited schools of chiropractic; and amending RCW 18.25.190.

Referred to Committee on Health Care & Wellness.

SB 5826 by Senators Darmeille, O’Ban, Kuderer and Nguyen
AN ACT Relating to implementing the family first prevention services act, P.L. 115-123, regarding expansion of services to children and families; amending RCW 13.34.025, 26.44.030, 74.14C.020, 74.15.020, 13.34.065, 13.34.130, 13.34.138, and 13.34.145; reenacting and amending RCW 13.34.030, 26.44.020, 74.13.020, and 74.13.031; adding new sections to chapter 13.34 RCW; adding a new section to chapter 26.44 RCW; adding a new section to chapter 74.13 RCW; and providing an effective date.

Referred to Committee on Human Services & Early Learning.

SSB 5851 by Senate Committee on Ways & Means (originally sponsored by Frockt, Saldaña, Wellman, Wilson and C.)
AN ACT Relating to enhancing educational opportunities for vulnerable children and youth using funding distributed from the Puget Sound taxpayer accountability account; and amending RCW 43.79.520.

Referred to Committee on Appropriations.

SB 5865 by Senators Hasegawa, Nguyen, Conway, Dhingra, Schoesler, Billig, Honeyford, King, Randall, Saldaña, Wilson and C.
AN ACT Relating to declaring October as Filipino American history month; adding a new section to chapter 43.117 RCW; and creating a new section.

Referred to Committee on State Government & Tribal Relations.

SSB 5919 by Senate Committee on Transportation (originally sponsored by Lovelett, Nguyen, Dhingra, Hawkins, Randall, Frockt, Das, Hunt and Palumbo)
AN ACT Relating to creating a San Juan Islands stewardship special license plate; amending RCW 46.18.200, 46.17.220, and 46.68.420; adding a new section to chapter 46.04 RCW; and providing an effective date.

Referred to Committee on Transportation.

SB 5930 by Senators Randall, Lovelett, Liias, Nguyen, Wilson, C., Palumbo, Sheldon, Mullet and Hunt
AN ACT Relating to creating Seattle Storm special license plates to fund youth leadership and sports programs; amending RCW 46.18.200, 46.17.220, and 46.68.420; and providing an effective date.

Referred to Committee on Transportation.

ESSB 5946 by Senate Committee on Housing Stability & Affordability (originally sponsored by Nguyen, Saldaña, Hasegawa, Das and Lovelett)
AN ACT Relating to the application of the state environmental policy act to temporary shelters and transitional encampments; and adding a new section to chapter 43.21C RCW.

Referred to Committee on Environment & Energy.

SCR 8403 by Senators Hunt, Wilson and C.
Renaming Marathon Park after Joan Benoit Samuelson.

Referred to Committee on State Government & Tribal Relations.

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

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

SECOND READING

HOUSE BILL NO. 1578, by Representatives Lekanoff, Peterson, Doglio, Fitzgibbon, Shewmake, Robinson, Slatter, Valdez, Bergquist, Morris, Stanford, Tharinger, Cody, Jinkins, Kloba, Pollet, Frame, Davis and Macri
Reducing threats to southern resident killer whales by improving the safety of oil transportation.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1578 was substituted for House Bill No. 1578 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1578 was read the second time.

Representative Lekanoff moved the adoption of the striking amendment (243):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that a variety of existing policies designed to reduce the risk of oil spills have helped contribute to a relatively strong safety record for oil moved by water, pipeline, and train in recent years in Washington state. Nevertheless, gaps exist in our safety regimen, especially deriving from shifts in the modes of overwater transportation of oil and the increased transport of oils that may submerge or sink, contributing to an unacceptable threat to Washington waters, where a catastrophic spill would inflict potentially irreversible damage on the endangered southern resident killer whales. In addition to the unique marine and cultural resources in Puget Sound that would be damaged by an oil spill, the
geographic, bathometric, and other environmental peculiarities of Puget Sound present navigational challenges that heighten the risk of an oil spill incident occurring. Therefore, it is the intent of the legislature to enact certain new safety requirements designed to reduce the current, acute risk from existing infrastructure and activities of an oil spill that could eradicate our whales, violate the treaty interests and fishing rights of potentially affected federally recognized Indian tribes, damage commercial fishing prospects, undercut many aspects of the economy that depend on the Salish Sea, and otherwise harm the health and well-being of Washington residents. In enacting such measures, however, it is not the intent of the legislature to mitigate, offset, or otherwise encourage additional projects or activities that would increase the frequency or severity of oil spills in the Salish Sea. Furthermore, it is the intent of the legislature for this act to assist in coordinating enhanced international discussions among federal, state, provincial, first nation, federally recognized Indian tribe, and industry leaders in the United States and Canada to develop an agreement for an additional emergency rescue tug available to vessels in distress in the narrow Straits of the San Juan Islands and other boundary waters, which would lessen oil spill risks to the marine environment in both the United States and Canada.

Sec. 2. RCW 88.16.190 and 1994 c 52 s 1 are each amended to read as follows:

(1) Any oil tanker, whether enrolled or registered, of greater than one hundred twenty-five thousand deadweight tons shall be prohibited from proceeding beyond a point east of a line extending from Discovery Island light south to New Dungeness light, unless authorized by the United States coast guard, pursuant to 33 C.F.R. Sec. 165.1303.

(2) ((An oil tanker, whether enrolled or registered, of forty to one hundred twenty-five thousand deadweight tons may proceed beyond the point of forty to one hundred and twenty-five thousand deadweight tons east only if under the escort of a tug or tugs that have an aggregate shaft horsepower equivalent to at least five percent of the deadweight tons of the escorted oil tanker. (A) Oil tankers of between five thousand and forty thousand deadweight tons; and (B) articulated tug barges and towed waterborne vessels or barges designed to transport oil in bulk of greater than five thousand deadweight tons.

(iii) The requirements of (a)(ii) of this subsection: (A) Do not apply to vessels providing bunkering or refueling services; and (B) may be adjusted by rule by the board of pilotage commissioners, consistent with section 3(1)(b) of this act.

(b) An oil tanker, articulated tug barge, or towed waterborne vessel or barge in ballast or when unladen is not required to be under the escort of a tug.

(c) A tanker assigned a deadweight of less than forty thousand deadweight tons at the time of construction or reconstruction as reported in Lloyd's Register of Ships is not subject to the provisions of RCW 88.16.170 ((through 88.16.190)) and 88.16.180.

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

(a) "Articulated tug barge" means a tank barge and a towing vessel joined by hinged or articulated fixed mechanical equipment affixed or connecting to the stern of the tank barge.

(b) "Oil tanker" means a self-propelled deep draft tank vessel designed to transport oil in bulk. "Oil tanker" does not include an articulated tug barge tank vessel.

(c) "Waterborne vessel or barge" means any ship, barge, or other watercraft capable of traveling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.

NEW SECTION. Sec. 3. A new section is added to chapter 88.16 RCW to read as follows:
(1)(a) By December 31, 2025, the board of pilotage commissioners, in consultation with the department of ecology, must adopt rules regarding tug escorts to address the peculiarities of Puget Sound, with the exception of vessels providing bunkering or refueling services, for the following:

(i) Oil tankers of between five thousand and forty thousand deadweight tons; and

(ii) Articulated tug barges and towed waterborne vessels or barges designed to transport oil in bulk of greater than five thousand deadweight tons.

(b) The rule making pursuant to (a) of this subsection must be for operating in the waters east of the line extending from Discovery Island light south to New Dungeness light and all points in the Puget Sound area. This rule making must address the tug escort requirements applicable to Rosario Strait and connected waterways to the east established in RCW 88.16.190(2)(a)(ii), and may adjust those requirements.

(c) To achieve the rule adoption deadline in (a) of this subsection, the board of pilotage commissioners must adhere to the following interim milestones:

(i) By September 1, 2020:

(A) Identify and define the zones, specified in subsection (3)(a) of this section, to inform the analysis required under subsection (5) of this section; and

(B) Complete a synopsis of changing vessel traffic trends; and

(ii) By September 1, 2023, consult with potentially affected federally recognized Indian tribes and stakeholders as required under subsection (6) of this section and complete the analysis required under subsection (5) of this section. By September 1, 2023, the department of ecology must submit a summary of the results of the analysis required under subsection (5) of this section to the legislature consistent with RCW 43.01.036.

(2) When developing rules, the board of pilotage commissioners must consider recommendations of potentially affected federally recognized Indian tribes, and:

(a) The results of the most recently completed vessel traffic risk assessments;

(b) The report developed by the department of ecology as required under section 206, chapter 262, Laws of 2018;

(c) The recommendations included in the southern resident orca task force report, November 2018, and any subsequent research or reports on related topics; and

(d) Changing vessel traffic trends, including the synopsis required under subsection (1)(c)(i)(B) of this section.

(3) In the rules adopted under this section, the board of pilotage commissioners must:

(a) Make decisions about risk protection on the basis of geographic zones in the waters specified in subsection (1)(b) of this section. As the initial foci of the rules, the board of pilotage commissioners must equally prioritize geographic zones encompassing (i) Rosario Strait and connected waterways to the east; and (ii) Haro Strait and Boundary Pass;

(b) Specify operational requirements, such as tethering, for tug escorts;

(c) Include functionality requirements for tug escorts, such as aggregate shaft horsepower for tethered tug escorts;

(d) Be designed to achieve best achievable protection, as defined under RCW 88.46.010, as informed by consideration of:

(i) Accident records in British Columbia and Washington waters;

(ii) Existing propulsion and design standards for covered tank vessels; and

(iii) The characteristics of the waterways; and

(e) Publish a document that identifies the sources of information that it relied upon in developing the rules, including any sources of peer-reviewed science.

(4) The rules adopted under this section may not require oil tankers, articulated tug barges, or towed waterborne vessels or barges to be under the escort of a tug when these vessels are in ballast or are unladen.

(5) To inform rule making, the board of pilotage commissioners must conduct an analysis of tug escorts using the model developed by the department of ecology under section 4 of this act. The board of pilotage commissioners may:

(a) Develop subsets of oil tankers, articulated tug barges, and towed waterborne vessels or barges, and situations that could preclude requirements from being imposed under the rule making for a given zone or vessel;

(b) Consider the benefits of vessel safety measures that are newly in effect on or after July 1, 2019, and prior to the adoption of rules under this section; and

(c) Enter into an interagency agreement with the department of ecology to assist with conducting the analysis and developing the rules.

(6) The board of pilotage commissioners must consult with the United States coast guard, the Puget Sound harbor safety committee, potentially affected federally recognized Indian tribes, ports, local governments, state agencies, and other appropriate entities before adopting tug escort rules applicable to any portion of Puget Sound. Considering relevant information elicited during the consultations required under this subsection, the board of pilotage commissioners must also design the rules with a goal of avoiding or minimizing additional underwater noise from vessels in the Salish Sea, focusing vessel traffic into established shipping lanes, protecting and minimizing vessel traffic impacts to established treaty fishing areas, and
respecting and preserving the treaty-protected interests and fishing rights of potentially affected federally recognized Indian tribes.

(7) Rules adopted under this section must be periodically updated consistent with section 5 of this act.

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

(a) "Articulated tug barge" means a tank barge and a towing vessel joined by hinged or articulated fixed mechanical equipment affixed or connecting to the stern of the tank barge.

(b) "Oil tanker" means a self-propelled deep draft tank vessel designed to transport oil in bulk. "Oil tanker" does not include an articulated tug barge tank vessel.

(c) "Waterborne vessels or barges" means any ship, barge, or other watercraft capable of traveling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.

NEW SECTION. Sec. 4. A new section is added to chapter 88.46 RCW to read as follows:

(1) The department must develop and maintain a model to quantitatively assess current and potential future risks of oil spills from covered vessels in Washington waters, as it conducts ongoing oil spill risk assessments. The department must consult with the United States coast guard, potentially affected federally recognized Indian tribes, and stakeholders to: Determine model assumptions; develop scenarios to show the likely impacts of changes to model assumptions, including potential changes in vessel traffic, commodities transported, and vessel safety and risk reduction measures; and update the model periodically.

(2) Utilizing the model pursuant to subsection (1) of this section, the department must quantitatively assess whether an emergency response towing vessel serving Haro Strait, Boundary Pass, Rosario Strait, and connected navigable waterways will reduce oil spill risk. The department must report its findings to the legislature by September 1, 2023.

NEW SECTION. Sec. 5. A new section is added to chapter 88.46 RCW to read as follows:

(1) By October 1, 2028, and no less often than every ten years thereafter, the board of pilotage commissioners and the department must together consider:

(a) The effects of rules established under RCW 88.16.190 and section 3 of this act on vessel traffic patterns and oil spill risks in the Salish Sea. Factors considered must include modeling developed by the department under section 4 of this act and may include: (i) Vessel traffic data; (ii) vessel accident and incident data, such as incidents where tug escorts or an emergency response towing vessel acted to reduce spill risks; and (iii) consultation with the United States coast guard, potentially affected federally recognized Indian tribes, and stakeholders; and

(b) Whether experienced or forecasted changes to vessel traffic patterns or oil spill risk in the Salish Sea necessitate an update to the tug escort rules adopted under section 3 of this act.

(2) In the event that the department or board of pilotage commissioners determines that updates are merited to the rules, the department or board, as appropriate, must notify the appropriate standing committees of the house of representatives and the senate, and must thereafter adopt rules consistent with the requirements of section 3 of this act, including the consultation process outlined in section 3(6) of this act.

Sec. 6. RCW 88.46.240 and 2018 c 262 s 204 are each amended to read as follows:

(1) The department must establish the Salish Sea shared waters forum to address common issues in the cross-boundary waterways between Washington state and British Columbia such as: Enhancing efforts to reduce oil spill risk; addressing navigational safety; and promoting data sharing.

(2) The department must:

(a) Coordinate with provincial and federal Canadian agencies when establishing the Salish Sea shared waters forum; and

(b) Seek participation from potentially affected federally recognized Indian tribes, first nations, and stakeholders that, at minimum, includes representatives of the following: State, provincial, and federal governmental entities, regulated entities, and environmental organizations.

(3) The Salish Sea shared waters forum must meet at least once per year to consider the following:

(a) Gaps and conflicts in oil spill policies, regulations, and laws;

(b) Opportunities to reduce oil spill risk, including requiring tug escorts for oil tankers, articulated tug barges, and other towed waterborne vessels or barges;

(c) Enhancing oil spill prevention, preparedness, and response capacity;

(d) Beginning in 2019, whether an emergency response system in Haro Strait, Boundary Pass, and Rosario Strait (similar to the system implemented by the maritime industry pursuant to RCW 88.46.130) will decrease oil spill risk (and how to fund such a system). In advance of the 2019 meeting, the department must discuss the options of an emergency response system with organizations such as, but not limited to, the coast Salish gathering, which provides a transboundary natural resource policy dialogue of elected officials representing federal, state, provincial, first nations, and tribal governments within the Salish Sea; and
(e) The impacts of vessel traffic on treaty-protected fishing.

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

(a) "Articulated tug barge" means a tank barge and a towing vessel joined by hinged or articulated fixed mechanical equipment affixed or connecting to the stern of the tank barge.

(b) "Waterborne vessel or barge" means any ship, barge, or other watercraft capable of traveling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.

(5) This section expires July 1, 2021.

Sec. 7. RCW 90.56.565 and 2015 c 274 s 8 are each amended to read as follows:

(1)(a) A facility that receives crude oil from a railroad car must provide advance notice to the department that the facility will receive crude oil from a railroad car, as provided in this section. The advance notice must include the route taken to the facility within the state, if known, and the scheduled time, location, volume, region per bill of lading, type, and gravity as measured by standards developed by the American petroleum institute, of crude oil received. Each week, a facility that provides advance notice under this section must provide the required information regarding the scheduled arrival of railroad cars carrying crude oil to be received by the facility in the succeeding seven-day period. A facility is not required to provide advance notice when there is no receipt of crude oil from a railroad car scheduled for a seven-day period.

(b) Twice per year, pipelines that transport crude oil must report to the department the following information about the crude oil transported by the pipeline through the state: The volume of crude oil, gravity of the crude oil as measured by standards developed by the American petroleum institute, of crude oil received, and the state or province of origin of the crude oil. This report must be submitted each year by July 31st for the period January 1st through June 30th and by January 31st for the period July 1st through December 31st.

(2) The department may share information provided by a facility through the advance notice system established in this section with the state emergency management division and any county, city, tribal, port, or local government emergency response agency upon request.

(3) The department must publish information collected under this section on a quarterly basis on the department’s internet web site. With respect to the information reported under subsection (1)(a) of this section, the information published by the department must be aggregated on a statewide basis by route through the state, by week, and by type of crude oil. The report may also include other information available to the department including, but not limited to, place of origin, modes of transport, number of railroad cars delivering crude oil, and number and volume of spills during transport and delivery.

(4) A facility providing advance notice under this section is not responsible for meeting advance notice time frame requirements under subsection (1) of this section in the event that the schedule of arrivals of railroad cars carrying crude oil changes during a seven-day period.

(5) Consistent with the requirements of chapter 42.56 RCW, the department and any state, local, tribal, or public agency that receives information provided under this section may not disclose any such information to the public or to nongovernmental entities that contains proprietary, commercial, or financial information unless that information is aggregated. The requirement for aggregating information does not apply when information is shared by the department with emergency response agencies as provided in subsection (2) of this section.

(6) The department shall adopt rules to implement this section. The advance notice system required in this section must be consistent with the oil transfer reporting system adopted by the department pursuant to RCW 88.46.165.

Sec. 8. RCW 88.46.165 and 2006 c 316 s 1 are each amended to read as follows:

(1) The department's rules authorized under RCW 88.46.160 and this section shall be scaled to the risk posed to people and to the environment, and be categorized by type of transfer, volume of oil, frequency of transfers, and such other risk factors as identified by the department.

(2) The rules may require prior notice be provided before an oil transfer, regulated under this chapter, occurs in situations defined by the department as posing a higher risk. The notice may include the time, location, and volume of the oil transfer, as well as the region per bill of lading, gravity as measured by standards developed by the American petroleum institute, of crude oil. The rules may not require prior notice when marine fuel outlets are transferring less than three thousand gallons of oil in a single transaction to a ship that is not a covered vessel and the transfers are scheduled less than four hours in advance.

(3) The department may require semiannual reporting of volumes of oil transferred to ships by a marine fuel outlet.

(4) The rules may require additional measures to be taken in conjunction with the deployment of containment equipment or with the alternatives to deploying containment equipment. However, these measures must be scaled appropriately to the risks posed by the oil transfer.

(5) The rules shall include regulations to enhance the safety of oil transfers over water originating from vehicles transporting oil over private roads or highways of the state.
NEW SECTION. Sec. 10. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.”

Correct the title.

Representative Shea moved the adoption of amendment (254) to the striking amendment (243):

On page 4, line 40, after "topics;" strike "and"
On page 5, line 2, after "section" insert "; and
(e) For any formally proposed draft rules or adopted rules, identified estimates of expected costs and benefits of the rule to:

(i) State government agencies to administer and enforce the rule; and
(ii) Private persons or businesses, by category of type of person or business affected"

Representatives Shea and Fitzgibbon spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (254) to the striking amendment (243) was adopted.

Representatives Lekanoff and Shea spoke in favor of the adoption of the striking amendment as amended.

The striking amendment (243), 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 Shea and MacEwen 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. 1578.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1578, and the bill passed the House by the following vote: Yeas, 70; Nays, 28; Absent, 0; Excused, 0.


Voting nay: Representatives Barkis, Boehnke, Chambers, Chandler, Dent, Dufault, Dye, Gildon, Goehner, Graham, Griffey, Hoff, Jenkin, Klippert, Kraft, MacEwen, Maycumber, McCaslin, Orcutt, Rude, Schmick, Shea, Steele, Sutherland, Vick, Volz, Ybarra and Young.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1578, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1579, by Representatives Fitzgibbon, Peterson, Lekanoff, Doglio, Macri, Stonier, Tharinger, Stanford, Jinkins, Robinson, Pollet, Valdez, Cody, Kloba, Slatter, Frame and Davis

Implementing recommendations of the southern resident killer whale task force related to increasing chinook abundance.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1579 was substituted for House Bill No. 1579 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1579 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 Fitzgibbon spoke in favor of the passage of the bill.

Representatives Chandler, Walsh and Goehner 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. 1579.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1579, and the bill passed the House by the following vote: Yeas, 59; Nays, 39; Absent, 0; Excused, 0.

Voting yea: Representatives Appleton, Bergquist, Blake, Callan, Chapman, Cody, Davis, Doglio, Dolan, Entemman, Fey, Fitzgibbon, frame, Goodman, Gregerson, Hansen, Hudgins, Jinkins, Kilduff, Kirby, Kloba, Kretz, Leavitt, Lekanoff, Lovick, Macri, Mead, Morgan, Morris, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramos, Reeves, Riccelli, Robinson, Ryu, Santos,
Sells, Senn, Shewmake, Slatter, Smith, Springer, Stanford, Stonier, Sullivan, Tarleton, Thai, Tharinger, Valdez, Van Werven, Walen, Wylie and Mr. Speaker.

Voting nay: Representatives Barkis, Boehnke, Caldier, Chambers, Chandler, Corry, DeBolt, Dent, Dufault, Dye, Eslick, Gildon, Goehner, Graham, Griffey, Harris, Hoff, Irwin, Jenkin, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Rude, Schmick, Shea, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

SECOND SUBSTITUTE HOUSE BILL NO. 1579, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1580, by Representatives Blake, Kretz, Kirby, Peterson, Appleton, Shewmake, Morris, Cody and Jinkins

Concerning the protection of southern resident orca whales from vessels.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1580 was substituted for House Bill No. 1580 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1580 was read the second time.

Representative MacEwen moved the adoption of amendment (255):

On page 7, after line 25, insert the following:

"NEW SECTION. Sec. 7. Sections 2 through 4 of this act take effect only after the department of fish and wildlife determines that the same or more stringent requirements and licensing provisions have been adopted for commercial whale watching in the waters of British Columbia. The department of fish and wildlife must provide written notice of the effective date of sections 2 through 4 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the code reviser, and others as deemed appropriate by the department."

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

Representative MacEwen spoke in favor of the adoption of the amendment.

Representative Blake spoke against the adoption of the amendment.

Amendment (255) 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.

SECOND SUBSTITUTE HOUSE BILL NO. 1580, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1011, by Representatives Reeves, Barkis, Kilduff, Vick, Ryu, Fitzgibbon, Stanford and Leavitt

Adding proximity to working forests to the residential real estate disclosure statement.

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 Reeves, Vick and Walsh 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. 1011.

ROLL CALL
The Clerk called the roll on the final passage of House Bill No. 1011, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE BILL NO. 1011, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1061, by Representatives Blake and Walsh

Designating the Pacific razor clam as the state clam.

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 Blake, Walsh and DeBolt 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. 1061.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1061, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE BILL NO. 1061, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1062, by Representatives Blake and Walsh

Expanding access to commercial fishing opportunities.

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 Blake and Walsh 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. 1062.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1062, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


HOUSE BILL NO. 1062, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1290, by Representatives Peterson, Barkis, Robinson, Lekanoff, Maycumber and Pollet

Concerning reviews of voluntary cleanups.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1290 was substituted for House Bill No. 1290 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1290 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 Peterson 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 Substitute House Bill No. 1290.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1290, and the bill passed the House by the following vote: Yea s, 98; Nays, 0; Absent, 0; Excused, 0.


Excused: Representative Appleton.

HOUSE BILL NO. 1426, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1449, by Representatives Peterson, Chandler, Doglio, Ortiz-Self, Blake, Greerson, Tharinger, Dolan, Frame, Stanford, Chapman, Fitzgibbon, Davis, Santos, Lovick, Tarleton, Jinks and Ormsby

Recognizing the fourth Saturday of September as public lands day.

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 Peterson and Walsh 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. 1449.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1426, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

HOUSE BILL NO. 1426, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1449, by Representatives Peterson, Chandler, Doglio, Ortiz-Self, Blake, Gregerson, Tharinger, Dolan, Frame, Stanford, Chapman, Fitzgibbon, Davis, Santos, Lovick, Tarleton, Jinks and Ormsby

Recognizing the fourth Saturday of September as public lands day.

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 Peterson and Walsh 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. 1449.
Excused: Representative Appleton.

HOUSE BILL NO. 1499, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1769, by Representatives Blake, Chandler and Dent

Concerning a vessel crewmember license.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1769 was substituted for House Bill No. 1769 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1769 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 Blake and Chandler 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. 1769.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1769, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1769, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1953, by Representatives Corry, Fitzgibbon, Hoff, Harris, Griffey, McCaslin, Springer, Steele and Graham

Reducing the amount of permits required for recreation at a sno-park.
The bill was read the second time.

There being no objection, Substitute House Bill No. 1953 was substituted for House Bill No. 1953 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1953 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 Corry and Ryu 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. 1953.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1953, and the bill passed the House by the following vote: Yea's, 97; Nays, 0; Absent, 0; Excused, 1.


Voting nay: Representatives Barkis, Chambers, DeBolt, Dent, Dufault, Eslick, Graham, Griffey, Harris, Hoff, Irwin, Jenkin, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Schmick, Shea, Stokesbury, Sutherland, Van Werven, Vick, Volz, Walsh, Wilcox, Ybarra, and Young.

Excused: Representative Appleton.

HOUSE BILL NO. 2119, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1001, by Representatives Kirby and Vick

Concerning service contract providers.

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 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 House Bill No. 1001.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 2119, and the bill passed the House by the following vote: Yeas, 66; Nays, 31; Absent, 0; Excused, 1.


Voting nay: Representatives Barkis, Chambers, DeBolt, Dent, Dufault, Eslick, Graham, Griffey, Harris, Hoff, Irwin, Jenkin, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Schmick, Shea, Stokesbury, Sutherland, Van Werven, Vick, Volz, Walsh, Wilcox, Ybarra, and Young.

Excused: Representative Appleton.

HOUSE BILL NO. 2119, having received the necessary constitutional majority, was declared passed.

POINT OF PERSONAL PRIVILEGE

Representative Mosbrucker congratulated Representative Corry on the passage of his first bill through the House, and asked the Chamber to acknowledge his accomplishment.

HOUSE BILL NO. 2119, by Representatives Morris and Lekanoff

Concerning the distribution of moneys derived from certain state forestslands.
The Clerk called the roll on the final passage of House Bill No. 1001, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.


Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1148, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1285, by Representatives Doglio, Steele, Kirby, Tharinger, Ryu, DeBolt, Volz, Dolan, Frame and Rude

Adding the treasurer to the public works board.

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 DeBolt 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. 1285.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1148, and the bill passed the House by the following vote: Yeas, 79; Nays, 4; Absent, 0; Excused, 1.


Excused: Representative Appleton.
HOUSE BILL NO. 1285, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1295, by Representative Tharinger

Concerning public works contracting procedures.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1295 was substituted for House Bill No. 1295 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1295 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 Tharinger and Eslick 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. 1295.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1295, and the bill passed the House by the following vote: Yea’s, 96; Nays, 1; Absent, 0; Excused, 1.


Voting nay: Representatives Hoff, Jenkin, Kraft, Stokesbary, Vick, Walsh and Ybarra.

Excused: Representative Appleton.

HOUSE BILL NO. 1413, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1430, by Representatives MacEwen and Stanford

Concerning the licensing and enforcement system modernization project account.

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.

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

Representative Stokesbary 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. 1413.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1413, and the bill passed the House by the following vote: Yeas, 90; Nays, 7; Absent, 0; Excused, 1.


Voting nay: Representatives Hoff, Jenkin, Kraft, Stokesbary, Vick, Walsh and Ybarra.

Excused: Representative Appleton.

HOUSE BILL NO. 1430 was read the second time.

There being no objection, Substitute House Bill No. 1430 was substituted for House Bill No. 1430 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1430 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 MacEwen and Robinson 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. 1430.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1430, and the bill passed the House by the following vote: Yea's, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1430, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1431, by Representatives Kirby and Vick

Concerning joint self-insurance programs for property and liability risks.

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 Kirby and Orcutt 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. 1431.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1431, and the bill passed the House by the following vote: Yea's, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

HOUSE BILL NO. 1594, by Representatives Chandler and Chapman

Clarifying the exemption for wiring and equipment associated with telecommunication installations.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1594 was substituted for House Bill No. 1594 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1594 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 Chandler and Sells spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1594.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1594, and the bill passed the House by the following vote: Yea's, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Barkis, Bergquist, Blake, Boelnke, Caldier, Callan, Chambers, Chandler, Chapman, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dolan, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gildon, Goehner, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, Jinks, Kilduff, Kirby, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Mead, Morgan, Morris, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramos, Reeves, Riccielli, Robinson, Rude, Ryu, Santos, Schmick,
Sells, Senn, Shea, Shewmake, Slatter, Smith, Springer, Stanford, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mr. Speaker.

Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1594, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1792, by Representatives Pettigrew and Appleton

Concerning criminal penalties applicable to licensed marijuana retailers and employees of marijuana retail outlets.

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 Pettigrew and MacEwen 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 House Bill No. 1792.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1792, and the bill passed the House by the following vote: Yeas, 89; Nays, 8; Absent, 0; Excused, 1.


Excused: Representative Appleton.

HOUSE BILL NO. 1792, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1794, by Representatives Stanford, MacEwen, Blake, Vick, Kirby, Young, Reeves and Appleton

Concerning agreements between licensed marijuana businesses and other people and businesses, including royalty and licensing agreements relating to the use of intellectual property.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1794 was substituted for House Bill No. 1794 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1794 was read the second time.

Representative Stanford moved the adoption of amendment (151):

On page 2, line 5, after "manufactured" insert "or sold"

Representatives Stanford and MacEwen spoke in favor of the adoption of the amendment.

Amendment (151) 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 Stanford 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 Engrossed Substitute House Bill No. 1794.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1794, and the bill passed the House by the following vote: Yeas, 86; Nays, 11; Absent, 0; Excused, 1.

FIFTY THIRD DAY, MARCH 7, 2019


Excused: Representative Appleton.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1794, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1908, by Representatives Graham, Walsh, Griffey, Irwin and Corry

Repealing the electronic authentication act.

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 Graham, Boehnke and Stonier 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. 1908.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1908, and the bill passed the House by the following vote: Yea, 96; Nay, 1; Absent, 0; Excused, 1.


Voting nay: Representative Klippert.

Excused: Representative Appleton.

HOUSE BILL NO. 1908, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1788, by Representative Stokesbary

Concerning the Washington state bar association.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1788 was substituted for House Bill No. 1788 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1788 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 Mosbrucker 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. 1908.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1930, and the bill passed the House by the following vote: Yea, 96; Nay, 1; Absent, 0; Excused, 1.


Voting nay: Representative Klippert.

Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1930, having received the necessary constitutional majority, was declared passed.
On page 4, after line 29, insert the following:
"NEW SECTION. Sec. 5. This act takes effect January 31, 2020."

Correct the title.

Representatives Jinkins and Stokesbary spoke in favor of the adoption of the amendment.

Amendment (037) 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 Stokesbary, Jinkins 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. 1788.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1788, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.


Voting nay: Representatives Blake, Boehneke, Caldier, Chambers, DeBolt, Dent, Dye, Eslick, Gildon, Goehner, Griffee, Harris, Jenkin, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, Morris, Orcutt, Rude, Schmick, Shea, Smith, Steele, Sutherland, Van Werven, Walsh, Wilcox and Young.

Excused: Representative Appleton.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1788, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1788, by Representatives Ryu, Mosbrucker, Stanford and Pollet

Concerning short-term rentals.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1788 was substituted for House Bill No. 1788 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1798 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 Ryu and Vick spoke in favor of the passage of the bill.

Representative Steele 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. 1798.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1798, and the bill passed the House by the following vote: Yeas, 65; Nays, 32; Absent, 0; Excused, 1.


Voting nay: Representatives Blake, Boehneke, Caldier, Chambers, DeBolt, Dent, Dye, Eslick, Gildon, Goehner, Griffee, Harris, Jenkin, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, Morris, Orcutt, Rude, Schmick, Shea, Smith, Steele, Sutherland, Van Werven, Walsh, Wilcox and Young.

Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1798, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1049, by Representatives Macri, Stokesbary, Riccelli, Jinkins, Tharinger, Slatter, Caldier, Appleton, Wylie, Cody, Doglio and Stonier

Concerning health care provider and health care facility whistleblower protections.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1049 was substituted for House Bill No. 1049 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1049 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 Macri 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. 1049.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1049, and the bill passed the House by the following vote: Yea's, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

HOUSE BILL NO. 1177, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1674, by Representatives Rude, Steele, Santos, Jinkins, Bergquist and Doglio

Changing the term alternative learning experience to personalized learning experience.

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 Rude, Paul 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. 1674.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1177, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.


Excused: Representative Appleton.

FIFTY THIRD DAY, MARCH 7, 2019 503
Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mr. Speaker.

Excused: Representative Appleton.

HOUSE BILL NO. 1674, having received the necessary constitutional majority, was declared passed.

POINT OF PERSONAL PRIVILEGE

Representative Jenkin congratulated Representative Rude on the passage of his first bill through the House, and asked the Chamber to acknowledge his accomplishment.

HOUSE BILL NO. 2035, by Representatives Lovick and Frame

Concerning taxes on in-state broadcasters.

The bill was read the second time.

With the consent of the House, the substitute bill by the Committee on Transportation was not adopted.

With the consent of the House, amendments (226), (227), and (228) were withdrawn.

Representative Shea moved the adoption of amendment (237):

On page 2, line 7, after "organization." insert "Any federally recognized tribe that holds reservation or trust land within the planning area of a regional transportation planning organization and does not have voting membership in the regional transportation planning organization must be offered voting membership in the regional transportation planning organization every two years or when the composition of the board of the regional transportation planning organization is modified in an interlocal agreement."

Representative Shea and Slatter spoke in favor of the adoption of the amendment.

Amendment (237) 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 Riccelli spoke in favor of the passage of the bill.

Representatives Shea and Volz 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. 1584.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1584, and the bill passed the House by the following vote: Yeas, 64; Nays, 33; Absent, 0; Excused, 1.


Excused: Representative Appleton.

HOUSE BILL NO. 2035, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1584, by Representatives Riccelli, Ormsby, Fey, Fitzgibbon, Lovick, Ramos, Stanford and Leavitt

Restricting the availability of state funds to regional transportation planning organizations that do not provide a reasonable opportunity for voting membership to certain federally recognized tribes.

The bill was read the second time.

With the consent of the House, the substitute bill by the Committee on Transportation was not adopted.

With the consent of the House, amendments (226), (227), and (228) were withdrawn.

Representative Shea moved the adoption of amendment (237):

On page 2, line 7, after "organization." insert "Any federally recognized tribe that holds reservation or trust land within the planning area of a regional transportation planning organization and does not have voting membership in the regional transportation planning organization must be offered voting membership in the regional transportation planning organization every two years or when the composition of the board of the regional transportation planning organization is modified in an interlocal agreement."

Representatives Shea and Slatter spoke in favor of the adoption of the amendment.

Amendment (237) 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 Riccelli spoke in favor of the passage of the bill.

Representatives Shea and Volz 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. 1584.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1584, and the bill passed the House by the following vote: Yeas, 64; Nays, 33; Absent, 0; Excused, 1.

Tarleton, Thai, Tharinger, Valdez, Walen, Wilcox, Wylie, Young and Mr. Speaker.


Excused: Representative Appleton.

ENGROSSED HOUSE BILL NO. 1584, having received the necessary constitutional majority, was declared passed.

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

HOUSE BILL NO. 2066, by Representatives Davis, Pellicciotti, Goodman, Appleton, Sutherland, Graham, Klippert, Leavitt and Pollet

Addressing restrictions on driver's licenses associated with certain criminal offenses.

The bill was read the second time.

Representative Davis moved the adoption of amendment (148):

On page 1, line 20, after "court" strike "has entered an order requiring" and insert "determines that community safety requires"

Representatives Davis and Klippert spoke in favor of the adoption of the amendment.

Amendment (148) 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 Davis and Klippert 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 Engrossed House Bill No. 2066.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2066, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Representatives Barkis, Bergquist, Blake, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Cody, Corry, Davis, DeBolt, Dent, Doglio, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gildon, Goodman, Graham, Gregerson, Griffey, Hansen, Harris, Hoff, Hudgins, Irwin, Jenkin, Jinkins, Kilduff, Kirby, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Mead, Morgan, Morris, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Pellicciotti, Peterson, Pettigrew, Pollet, Ramos, Reeves, Riccelli, Robinson, Rude, Ryu, Santos, Schmick, Sells,
Senn, Shewmake, Slatter, Smith, Springer, Stanford, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Tarleton, Thai, Tharinger, Valdez, Van Werven, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mr. Speaker.

Voting nay: Representatives McCaslin and Shea.

Excused: Representative Appleton.

SUBSTITUTE HOUSE BILL NO. 1195, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1732, by Representatives Valdez, Entenman, Ramos, Wylie, Gregerson, Dolan, Frame, Jinkins, Ortiz-Self, Orwall, Peterson, Ryu, Stanford, Kilduff, Santos, Thai, Senn, Macri and Pollet

Concerning identifying and responding to bias-based criminal offenses.

The bill was read the second time.

There being no objection, Substitute House Bill No. 1732 was substituted for House Bill No. 1732 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 1732 was read the second time.

Representative Irwin moved the adoption of amendment (089):

On page 3, beginning on line 12, after "legislature" strike all material through "legislature" on line 14

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

Amendment (089) was adopted.

Representative Valdez moved the adoption of amendment (090):

On page 5, line 39, after "((ten))" strike "two hundred fifty" and insert "one hundred"

Representatives Valdez and Irwin spoke in favor of the adoption of the amendment.

Amendment (090) was adopted.

Representative Walsh moved the adoption of amendment (269):

On page 6, beginning on line 8, after "offenses." strike all material through "justice." on line 12

On page 6, beginning on line 13, after "include" strike all material through "principals" on line 29 and insert the following: ":

(a) Four community members, one appointed by each of the two largest caucuses of the Senate and one appointed by each of the two largest caucuses of the House of Representatives;

(b) Two members appointed by the governor from organizations representing groups protected under RCW 9A.36.080; and

(c) One member appointed by the governor representing law enforcement."

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

Amendment (269) 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 Valdez, Irwin, Goodman and Graham spoke in favor of the passage of the bill.

Representative Klippert 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. 1732.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1732, and the bill passed the House by the following vote: Yeas, 85; Nays, 12; Absent, 0; Excused, 1.


Voting nay: Representatives Chandler, DeBolt, Dent, Dufault, Jenkin, Klippert, McCaslin, Orcutt, Shea, Sutherland, Ybarra and Young.

Excused: Representative Appleton.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1732, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 1603, by Representatives Senn, Entenman, Morgan, Kilduff, Macri, Gregerson, Valdez, Chapman, Wylie, Peterson, Doglio, Tharinger, Bergquist, Robinson, Ortiz-Self, Goodman, Lovick,
FIFTY THIRD DAY, MARCH 7, 2019

Jinkins, Leavitt, Hudgins, Pettigrew, Slatter, Appleton, Stanford, Davis, Frame, Pollet, Fey and Tarleton

Revising economic assistance programs by updating standards of need, revising outcome measures and data collected, and reducing barriers to participation.

The bill was read the second time.

There being no objection, Second Substitute House Bill No. 1603 was substituted for House Bill No. 1603 and the second substitute bill was placed on the second reading calendar.

SECOND SUBSTITUTE HOUSE BILL NO. 1603 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 Senn, Dent, Klippert and Entenman 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 Second Substitute House Bill No. 1603.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1603, and the bill passed the House by the following vote: Yeas, 69; Nays, 28; Absent, 0; Excused, 1.


Voting nay: Representative MacEwen.

Excused: Representative Appleton.

HOUSE BILL NO. 1220, 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. 1075
- HOUSE BILL NO. 1239
- HOUSE BILL NO. 1304
- HOUSE BILL NO. 1432
- HOUSE BILL NO. 1551
- HOUSE BILL NO. 1569
- HOUSE BILL NO. 1608
- HOUSE BILL NO. 1631
- HOUSE BILL NO. 1661
- HOUSE BILL NO. 1777
HOUSE BILL NO. 1865
HOUSE BILL NO. 1902
HOUSE BILL NO. 1951
HOUSE BILL NO. 1994
HOUSE BILL NO. 2038
HOUSE BILL NO. 2058
HOUSE BILL NO. 2062

There being no objection, the House adjourned until 9:00 a.m., March 8, 2019, the 54th Day of the Regular Session.

FRANK CHOPP, Speaker

BERNARD DEAN, Chief Clerk